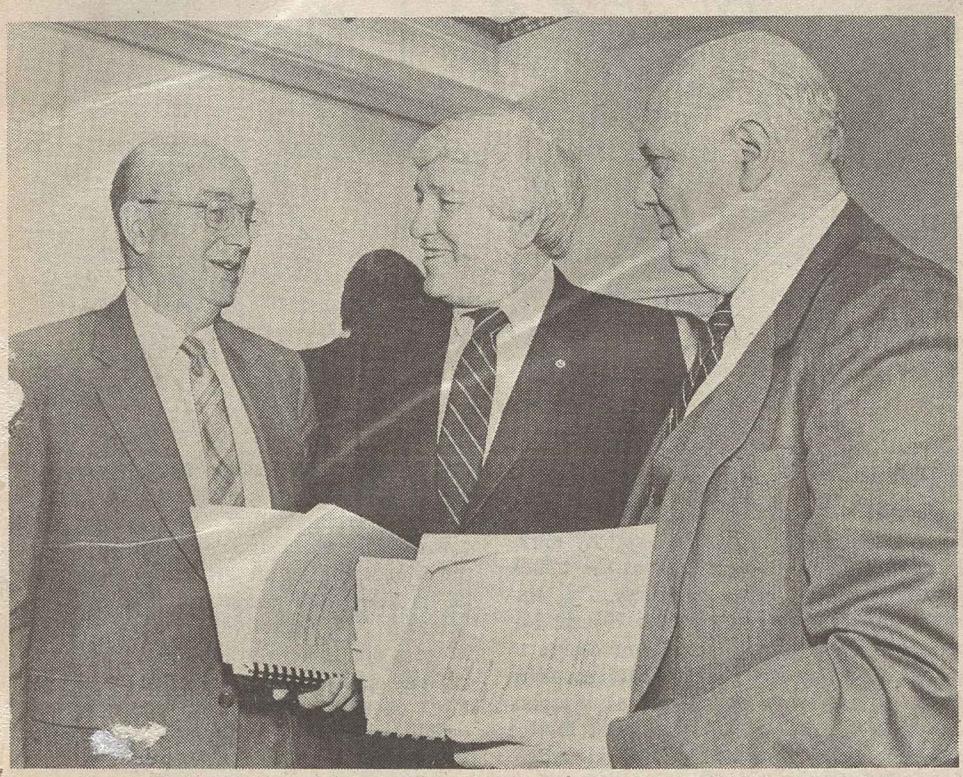
AFL-CIO news

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MEMO FROM COPE
PAGE 8



Arbitration Board Chairman Clark Kerr with Letter Carriers President Vincent Sombrotto and Postal Workers President Moe Biller, right.

# *500,000 get pay raise in postal arbitration*

**By David L. Perlman**

More than half a million postal employees will get retroactive pay raises and continued cost-of-living protection in new three-year contracts. The accords were achieved through an arbitration process triggered when existing agreements expired last summer with both sides still far apart at the bargaining table.

The arbitration—record-setting in magnitude—covers employees represented by the Postal Workers and the Letter Carriers. Separate arbitration panels are scheduled to act by Jan. 7 on contracts covering workers represented by the Mail Handlers, a division of the Laborers, and the unaffiliated Rural Letter Carriers.

NALC President Vincent R. Sombrotto and APWU President Moe Biller expressed satisfaction that the arbitration award tilted closer to the position of the two unions than to the takeback demands of postal management. Management to the end had insisted on a pay freeze for existing employees, a cut in the cost-of-living formula, and reduced pay and benefits for newly hired workers.

### Freeze rejected

Rejection of the pay freeze came despite management claims that postal pay had risen faster than the wage rates of other workers and in the face of the Reagan Administration's announced intent to seek a 5-percent pay cut for federal employees.

In the end, both union and management members of the arbitration panel joined the impartial chairman, educator Clark Kerr, in signing the award although voicing reservations about some of its provisions.

The arbitration panel expressed the strong hope that future contracts will be shaped at the bargaining table, as has been the case in the past. In added comments, the union members—Letter Carriers General Counsel Bruce Simon and mediator Theodore W. Kheel for the Postal Workers—strongly endorsed that hope. The management members of the panel—Peter G. Nash and Joseph J. Mahon—grumbled that they doubted whether the unions would be anxious to go back to bargaining in view of "the significant wage and COLA increases" obtained through the arbitration process.

The 1970 law establishing the U.S. Postal Service made strikes illegal but provided for fact-finding and arbitration in the event of a contract deadlock.

In the new agreement, postal management did obtain lower starting rates for persons hired after Jan. 18, 1985. They will eventually achieve parity with present workers, but the unions expressed dissatisfaction with the length of time required

**Continued on Page 6**

# National economy in shaky condition as new year opens

**By James M. Shevis**

Americans are staring at a "wobbly" economy that could fall into recession at some point in 1985, the AFL-CIO warned, citing a number of danger signs in the nation's economic structure.

Cautioning against the more optimistic forecasts of other economic analysts and rosy White House projections, Federation Research Director Rudy Oswald said "the risks of substantially slower growth or a downturn cannot be ignored."

"While it is extremely difficult to predict the course of the nation's economy, there are a number of reasons for being more pessimistic than what many forecasters are predicting. Clearly, there are weaknesses in the economy."

In a letter to the research directors of AFL-CIO unions, Oswald noted that the consensus among forecasters is that the economy will grow about 3.1 percent in 1985. They also predict the consumer price index will go up about 4.5 percent, only slightly more than the rise from 1983 to 1984. The same analysts generally expect the jobless rate to remain virtually unchanged over the coming year, at about 7.3 percent.

"In essence, the soothsayers are predicting a rather uneventful year," Oswald observed. "In my view, however, several factors make the economic outlook far riskier than is indicated in these predictions."

### Interest rates

Among these are the heavy impact of high interest rates resulting from the enormous federal budget deficit, the flood of imports stemming from an overvalued U.S. dollar which has created a record trade imbalance, the end of the Reagan tax cut for individuals, reduced capital spending by American business, and possible outside blows to the economy such as defaults by foreign governments on debts owed the United States.

Oswald said high interest rates will continue to dampen investment in new production facilities, housing, and other interest-sensitive sectors of the economy.

The high interest rates also will continue to have an adverse impact on the nation's trade with other countries growing out of the overvaluation of the dollar in relation to foreign currencies.

After hitting an all-time record of $60 billion in 1983, the trade deficit for 1984 is expected to be more than double that amount at about $130 billion when final figures are compiled. In contrast, four years ago the trade deficit was $25 billion.

"By the end of 1985, the deficit likely will hit between $150 billion and $175 billion," Oswald predicted, stressing that the mounting trade deficit "is a significant constraint on economic growth."

### Mortgage costs

The recent lowering of major banks' prime lending rates, after the Federal Reserve Board allowed its key federal funds and discount rates to slide, really hasn't helped the housing industry much, Oswald noted. Mortgage interest rates in the industry—along with autos, a mainstay of the economy—are still historically high.

"We're still way above the long-term mortgage interest rates of less than 10 percent that existed at all times before 1979," he pointed out.

**Continued on Page 6**

# Look for the new label

**Consumers will find it easier to identify American-made clothing and fabrics as a result of a labor-backed law that took effect with the new year.**

**The legislation, enacted last September, strengthens country-of-origin labeling requirements. Foreign-made apparel and household textiles such as sheets and towels will have to be more conspicuously marked than the labeling law previously required.**

**Especially important, unions and domestic manufacturers agree, is a new requirement that a product made in the United States must clearly say so. The mandatory "Made in the U.S.A." label will further lessen the possibility of a buyer mistaking a foreign-made article of clothing for a domestic product.**

**Another new feature is a requirement that mail-order catalogues specify whether their products are imported or of U.S. manufacture.**

**Both the Ladies' Garment Workers and the Clothing & Textile Workers had testified for the legislation at congressional hearings.**

**It will be some months before the impact of the new law is fully realized, since the labeling requirement applies only to goods manufactured after the law took effect, and the Federal Trade Commission has not yet issued regulations to implement it.**

# Freed unionists to join conference on South Africa

Eleven leaders of black trade unions from South Africa will be in Washington for a three-day conference that opens Jan. 10. The group includes Phiroshaw Camay and Philip Dlamini, who were recently freed from South African prisons.

They will meet with more than 100 U.S. union officials at a conference conducted by the A. Philip Randolph Educational Fund and the AFL-CIO African American Labor Center.

Federation President Lane Kirkland will address the opening session.

Camay is general secretary of the Council of Unions of South Africa, which is affiliated with the International Confederation of Free Trade Unions. He was released from prison last Dec. 7 during protests by American trade unionists at the South African embassy in Washington and joined Kirkland in Brussels for the ICFTU board meeting.

Dlamini is general secretary of the South African Black Municipality & Allied Workers and has spent a total of five years in South African prisons.

Others in the group of visiting South African trade unionists are:

Joseph Gomomo, vice president, National Auto & Allied Workers; Longway Kwelemthini, president, Food Beverage Workers, and president, CUSA; Chele Ernest Lethole, vice president, Food Beverage Workers; Cathryn Monyane, executive committee, Black Municipality & Allied Workers; Hamilton Makedama, general secretary, Hotel, Liquor & Catering Trade Employees; J. M. Ledwaba, president, Commercial Catering & Allied Workers; Mary Ntseke, general secretary, Brushes & Cleaner Workers; Jane Hlongwane, general secretary, Steel, Engineering & Allied Workers, and Agnes Molefe, secretary, Laundry & Dry Cleaning Workers.

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# 1984 a mixed year for U.S. workers

For America's workers, a sluggish recovery brought the unemployment rate down from 8 percent in January to 7.2 percent in November. It would have to drop below 4 percent to achieve the elusive full-employment goal. Record imports of manufactured goods continued to wipe out industrial jobs.

There were some bright notes, nevertheless. The good and the bad are among the highlights gleaned from the 51 issues of the AFL-CIO News published in 1984:

## January

Year opens grimly with U.S. Steel announcement of plant closings and permanent loss of jobs for 15,000. . . . President Reagan's State of the Union address portrays a nation "bursting with opportunities." . . . Prominent Americans from both sides of the bargaining table join in a call for labor-management-government cooperation in shaping an industrial policy to make U.S. goods more competitive. . . . Gulf Oil contract negotiated by Oil, Chemical & Atomic Workers sets oil industry pattern of 55-cent hourly raises over two years. . . . National Bipartisan Commission on Central America, headed by Henry Kissinger and including Lane Kirkland, says military aid to El Salvador should be conditioned on observance of human rights and democratic principles. . . . Reagan-appointed majority of National Labor Relations Board continues to overturn established precedents. Latest policy reversal allows employer to lay off workers in a plant where a union had refused to take a mid-contract pay cut and to transfer the work to a non-union plant where wages are less. . . . First of seven AFL-CIO regional conferences is held in Seattle.

**People:** Edward J. Cleary succeeds Raymond J. Corbett as president of New York State AFL-CIO. . . . Richard A. Northrip named president of the soon-to-merge Cement, Lime & Gypsum Workers as Thomas F. Miechur retires.

## February

Reagan budget asks further cuts in domestic spending, additional rise in military funds. . . . Congressional study documents shift of Labor Dept. emphasis from probes of management violations to investigations of unions. . . . Supreme Court decision allows employers filing for bankruptcy to tear up union contracts. AFL-CIO mounts major campaign in support of bill by House Judiciary Committee Chairman Peter Rodino, Jr., to close the bankruptcy law loophole. . . . Flight Attendants, formerly a division of Pilots, win wings as a chartered AFL-CIO affiliate. . . . Previously unaffiliated unions merge with AFL-CIO affiliates—13,000-member Federation of Telephone Workers of Pennsylvania into Communications Workers and 25,000-member Ohio Association of Public School Employees into State, County & Municipal Employees. . . . Earlier, the 90,000-member California State Employees Association had joined the Service Employees. . . . Kentucky Senate kills "right-to-work" attempt to outlaw union shops. . . . Democratic presidential campaign opens with anticipated Mondale victory in Iowa caucus, but upset Hart victory in New Hampshire has media smelling blood.

**People:** Two unions choose new secretary-treasurers—John M. Defee of the Paperworkers and Thomas J. McGuire of the United Transportation Union.

## March

Grass-roots lobbying campaign to amend bankruptcy law to protect union contracts brings quick House passage of Rodino bill, but obstacles loom in Senate. . . . Coalition of Labor Union Women marks 10th anniversary at convention attended by 1,300 delegates. . . . Senate votes 70-20 to retain ban on export of Alaskan oil. . . . House passes labor-backed bill to stop purge of handicapped persons from social security disability rolls. . . . Beverly Enterprises, which had battled union efforts to organize its chain of nursing homes, promises Food & Commercial Workers and Service Employees to provide a "non-coercive atmosphere" during union election campaigns. . . . Redoubled efforts to get union members to polls helps Mondale regain momentum.

**People:** William A. Duval elected president of Painters, on retirement of S. Frank Raftery.

## April

Strike by 17,000 hotel and casino employees in Las Vegas develops into a major confrontation that enlists the entire labor movement. Hotel security guards attack pickets, but it is strikers who get arrested—members of the Hotel Employees & Restaurant Employees, the Musicians and the Stage Employes. AFL-CIO Sec.-Treas. Tom Donahue uses a bullhorn to address a strike rally. Federation establishes strike assistance funds and President Lane Kirkland urges affiliates to contribute. . . . Supreme Court decision weakens ban on sex discrimination in educational facilities receiving federal aid and is viewed as setback to civil rights laws generally. Labor joins in call for remedial legislation. . . . House Banking Committee narrowly approves labor-urged industrial policy bill. . . . Cement, Lime & Gypsum Workers, with 29,000 members, merges with the Boilermakers.

**People:** Reagan nominates Rosemary Collyer to be NLRB general counsel. AFL-CIO sees it as "another step in turning the NLRB over to management agents."

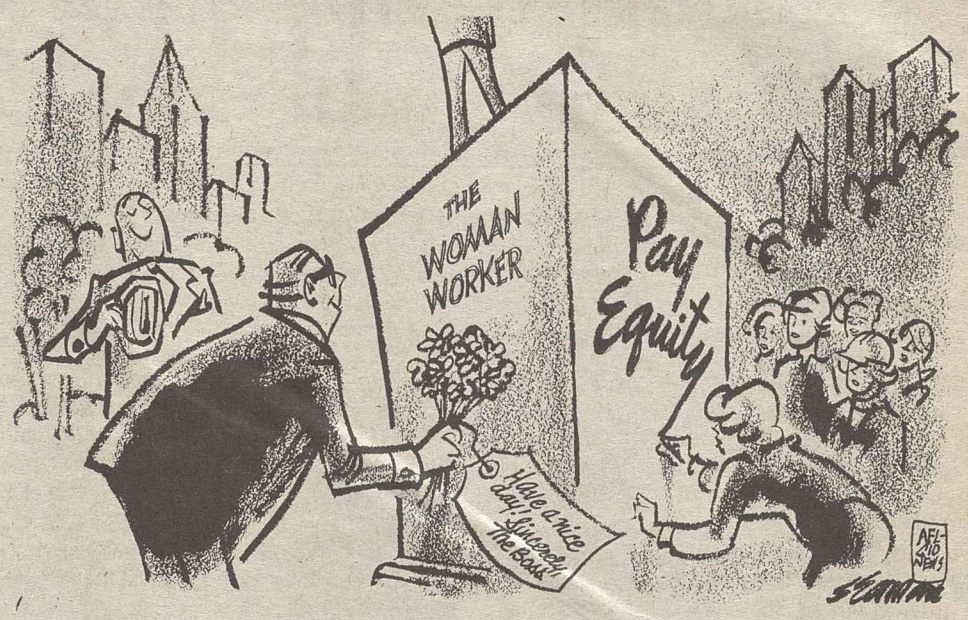
## May

Hilton chain breaks with Nevada Resort Association and joins with other independent hotels that earlier had negotiated union contracts. Other struck hotels start to follow suit, increasing pressure on the holdouts. . . . At Trade Commission hearings, Kirkland joins UFCW President William H. Wynn and ACTWU Sec.-Treas. Jack Sheinkman in warning against destruction of U.S. shoe industry, and with Industrial Union Dept. President Howard Samuel in support of steel import relief. At House hearings, Kirkland and UAW President Owen Bieber testify for domestic auto content bill. . . . Coalition rallies opposition to new Administration bid for a subminimum youth wage. . . . Union-Industries Show in Memphis displays labor's skills. . . . House hearings spotlight Reagan Administration "dirty tricks" memo proposing to manipulate a study of pay inequities to cause dissension among unions and sow political mischief.

**People:** Bricklayers President John T. Joyce elected to AFL-CIO Executive Council on retirement of S. Frank Raftery. . . . Rep. Claude D. Pepper (D-Fla.) presented with AFL-CIO's Murray-Green-Meany Award for humanitarian service.

## Yesterday, Today and Tomorrow...




## June

In Las Vegas, the month begins with a big strike support rally addressed by Kirkland and ends with nearly all of the struck hotels signed to union contracts. . . . Immigration bill narrowly passes House, but amendment allowing farm employers to bring in large number of foreign farm workers to harvest crops makes it unacceptable to AFL-CIO. . . . Phelps Dodge copper strikers fight attempts to evict them from their homes. . . . House passes bill to close Supreme Court's loophole in civil rights laws. . . . Reagan's NLRB says unions can't fine members who quit during a strike to cross its picket line. . . . Last round of primaries assures Mondale of a first-ballot nomination.

**People:** Steelworkers election confirms Lynn Williams as president; Edgar Ball succeeds him as secretary. . . . Deaths include AFL-CIO General Counsel J. Albert Woll and Chicago AFL-CIO President William A. Lee. Also Emma Lohrlein, 89, of Billings, Mont. The widow of a union carpenter, she had worked more volunteer hours for COPE than anyone else.

## July

Congress gives final approval to labor-sought legislation that stops employers from using bankruptcy proceedings as a device to shred union contracts. . . . Mondale's choice of Geraldine Ferraro as vice presidential candidate brings applause from labor, unites Democratic convention. . . . International Labor Organization commission presses Poland to end suppression of Solidarnosc trade union federation. . . . 50,000 members of RWDSU District 1199 strike New York hospitals. . . . Typographical Union election rerun confirms victory of challenger Robert S. McMichen, who favors merger with an AFL-CIO affiliate, over a Teamster-backed incumbent. . . . AFL-CIO terms Reagan nominee Robert Rowland unqualified to head the Occupational Safety & Health Administration, but President's recess appointment bypasses Senate confirmation.

**People:** Deaths include Joseph D. Keenan, retired AFL-CIO vice president and IBEW leader.

## August

Congress approves pension equity legislation based on bill introduced by Geraldine Ferraro. It knocks down barriers to full pension rights for women workers. . . . Republican platform brags that OSHA was "reined in" during Reagan's first term. . . . AFL-CIO General Board reaffirms federation's commitment to Mondale candidacy. . . . Congress bars U.S. Postal Service from imposing pay and benefit cuts on new hires before going to arbitration. . . . New York hospital workers win contract gains, ratify strike settlement. . . . Norfolk Shipyard workers rebuff raid, back Metal Trades Council. . . . U.S. trade deficit at all-time high.

**People:** Steelworkers President Lynn Williams elected to Executive Council. . . . House Education & Labor Committee Chairman Carl D. Perkins dies.

## September

Labor Day parades and rallies draw 500,000 marchers in New York, 150,000 in Detroit and festive gatherings across the country. . . . Congress passes labor-backed bill protecting the social security benefits of disabled workers. Earlier a Social Security Administration task force had warned that the agency's credibility before the courts was "at an all-time low" because of its attempted purge of disabled beneficiaries. . . . Selective strikes at General Motors plants help bring contract combining pay gains and job security. . . . AFL-CIO charter presented to new National Union of Hospital & Health Care Employees. New York's District 1199 chooses to stay with RWDSU.

## October

Labor Sec. Raymond Donovan takes leave of absence following his indictment on fraud charges; Under Sec. Ford B. Ford minds the shop. . . . House report concludes workers can't rely on fairness of a "politicized" NLRB. . . . Senate Republican majority scuttles House-passed civil rights bill to remedy Supreme Court decision. . . . Kirkland makes nine-state tour by Solidarity Van to boost turnout of AFL-CIO members for Mondale and other labor-backed candidates. . . . Congress adjourns after passing labor-backed bills to protect tax-exempt status of workers' fringe benefits, promote steel industry modernization and tighten bars against racketeers who prey on unions.

**People:** Bayard Rustin, chairman of the A. Philip Randolph Institute, who received an honorary degree from Yale University last spring, is one of 434 persons arrested in a silent protest in support of Yale employees striking for pay equity. . . . Fabled Musicians leader James C. Petrillo dies at 92.

## November

President Reagan wins "four more years" in the White House. . . . Democrats keep control of House, gain seats in Senate. Polls show 61 percent of members of AFL-CIO unions voted for Mondale, a near reversal of the vote of the electorate as a whole. . . . Kirkland welcomes draft statement by Catholic bishops urging major business-labor-government effort to create jobs "with adequate pay and decent working conditions". . . . Equitable insurance boycott lifted as SEIU District 925 wins a first contract for women clerical workers in Syracuse, N.Y.. . . . Big labor rally in Tucson, Ariz., tells Phelps Dodge strikers, "You are not alone". . . . Arrests of black trade unionists in South Africa brings strong AFL-CIO protests and labor joins with civil rights groups in anti-apartheid demonstrations at South African embassy. Union leaders and other prominent Americans submit to arrest in demonstration of concern.

## December

South African protests expand and union members join demonstrations at consulates in other cities as well as at embassy in Washington. Union leaders arrested include AFL-CIO Sec.-Treas. Donahue. . . . Survey finds most recession victims still unemployed or in lower-paying jobs. . . . U.S. trade deficit tops $100 billion and growing. . . . Treasury Dept. proposes to tax fringe benefits. . . . Budget preview asks further slash in domestic programs, pay cut for federal employees. . . . Postal arbitration brings pay raise, keeps COLA, but lowers starting pay for new hires.

**People:** Deaths include AFL-CIO Community Services Director Walter G. Davis.

## Sought by Congress

# Administration stalls on plant-closing data

The Reagan Administration is balking at complying with a congressional directive to the Bureau of Labor Statistics to gather data on the impact of plant closings and large-scale layoffs.

Congress earmarked $5 million to get the program under way as part of a $152.9 million BLS appropriation passed last October. BLS officials said at the time that they would contract with the states to provide the data, utilizing the existing system for collecting unemployment insurance information.

But the White House has now informed Congress that it doesn't plan to spend the money during the fiscal year covered by the appropriation, which runs through Sept. 30, 1985. Most informed sources consider this a prelude to a formal request to Congress to rescind the appropriation.

The layoff and plant-closing reporting system would have replaced a more limited layoff report which the Labor Dept. Employment & Training Administration abandoned in 1983.

Under the anti-impoundment law, the Executive Branch is normally obligated to spend funds appropriated by Congress for the designated purpose. The President has two options to avoid carrying out a congressional funding directive:

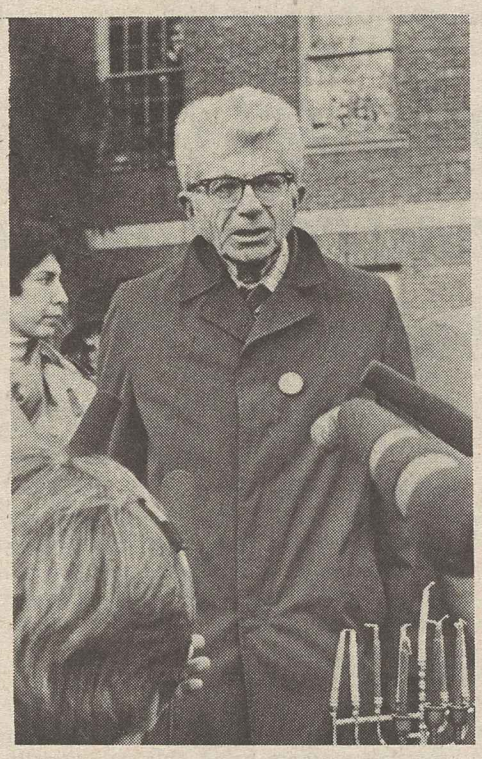
- The President can defer an appropriation, so that the program doesn't have to be carried out in the current fiscal year. That's what the White House did in the case of the plant-closing and layoff reports. Either the House or the Senate can block a deferment by passing a resolution to that effect. Otherwise, the deferment stands and the obligation to carry out the program is delayed until the following fiscal year.

- The President can ask Congress to rescind an appropriation, an action that requires a resolution of approval from both the House and Senate.

The White House deferment notification to Congress said merely that the program was being held up because there was "inadequate time" for the Labor Dept. to put it into effect.

But Rep. William D. Ford (D-Mich.), a principal sponsor of the move to expand layoff reporting, expressed concern that the action was a prelude to a formal rescission request. The Administration's budget being put together for the fiscal year starting Oct. 1, 1985, does not contain funds for the BLS study, sources indicated.





## Jewish vigil

Some 250 demonstrators from Jewish organizations picket the South African embassy in Washington on Christmas Day to protest the racist policy of apartheid. Hyman Bookbinder, Washington representative of the American Jewish Committee, lights a menorah as Democratic Congressmen Walter Fauntroy of the District of Columbia and Mel Levine of California look on. The vigil, sponsored by the AJC, the Jewish Labor Committee and other Jewish groups, gave Christians "a day off" from the continuing protest. At left, AFL-CIO Social Security Director Bert Seidman addresses demonstrators.

# *Congress gears up to face post-inaugural workload*

The 99th Congress moved through its opening ceremonies, assembled for the formal counting of the electoral ballots that make President Reagan's re-election official, and prepared to go back into hibernation until Inauguration Day, Jan. 21.

Not until after the inaugural will committee appointments be completed and the legislative workload begun.

In a departure from past practice, President Reagan will send his proposed budget to Congress before he delivers his State of the Union address in a nationally televised appearance before a joint session of the House and Senate. The change suggests that the State of the Union message, now scheduled for Feb. 6, will focus heavily on budget issues.

### Unresolved race

Reflecting the election returns, the House re-elected Speaker Thomas P. O'Neill, Jr. (D-Mass.), who had been renominated by the Democratic caucus. The party lineup in the House is 252 Democrats and 182 Republicans, with the winner in the Indiana 8th Congressional District still in doubt. With a controversial recount still incomplete, only a handful of votes separate incumbent Democrat Frank McCloskey and Republican Richard D. McIntyre.

On a party-line vote, the House refused to seat McIntyre while the result was still in doubt.

There were no election challenges in the Senate where the new lineup, including holdovers, is 53 Republicans and 47 Democrats. Sen. Robert Dole of Kansas will lead the reduced Republican minority. The GOP leader in the previous Congress, Howard H. Baker, Jr., of Tennessee, retired from the Senate.

In the House, the Democratic caucus assured the election of Rep. William H. Gray III as chairman of the important Budget Committee. Gray, a black minister from Philadelphia, had a 97 percent "right" voting record by COPE standards during his previous three terms in the House. The outgoing committee chairman, James R. Jones (Okla.), was ineligible for another term under House rules.

The chief caucus battle was the challenge to the reelection of House Armed Services Committee Chairman Melvin Price (Ill.), who has served in the House since 1945. Price, vulnerable because of age, was replaced by Les Aspin of Wisconsin.

The party caucuses will not act on committee assignments until Congress reconvenes.

In the Senate, where Republicans hold the chairmanships, election returns and the choice of Dole as party leader brought important reshuffles. Sen. Bob Packwood, a moderate who has been out of favor with the Reagan White House, is the new head of the tax-writing Finance Committee.

The Foreign Relations Committee will be headed by Sen. Richard G. Lugar (Ind.), and Sen. John C. Danforth will chair the Commerce Committee.

# Surge in imported footwear caused loss of 5,000 jobs

The unchecked surge of footwear imports caused more havoc in the American shoe industry last year as 89 more U.S. factories were forced to shut down, wiping out the jobs of 5,000 workers.

The Commerce Dept. reported footwear imports rose 27 percent during the first 11 months of 1984 and that foreign-made shoes now control a record 72 percent of the U.S. market.

"Animals on the endangered species list get better protection from the American government than do shoe workers, whose job and livelihoods are endangered by imports," President William H. Wynn of the Food & Commercial Workers and President Murray H. Finley of the Clothing & Textile Workers said in a joint statement.

The Commerce Dept. said that some 685 million pairs of foreign-made shoes entered the U.S. in the first 11 months of 1984, compared to 539.4 million pairs in the same period in 1983.

"Despite this torrent of foreign imports, which is drowning the American footwear industry, the U.S. International Trade Commission in an outrageous action last July found no cause to recommend relief for the domestic industry," Wynn and Finley said.

Since 1981, when President Reagan removed import restrictions on shoes, 34,000 shoe workers have lost their jobs and whole communities have been devastated as companies closed their doors, they observed.

### New investigation

Reacting to the ITC's decision, the Senate Finance Committee has demanded that it reopen the case and conduct a new investigation of the impact of imports on the U.S. shoe industry. The ITC investigation is slated to begin this month.

"We hope and pray that 1985 will be a better year for American shoe workers," Finley and Wynn said.

"Unfortunately, little can be done for the hundreds of companies which have already closed or for the tens of thousands of men and women who have lost their jobs.

"But by prompt, effective action this year on behalf of the American shoe industry, the ITC can enable the remaining fragment of this once proud and strong industry to survive and prosper."

# ILGWU to monitor homework 'experiment'

The Ladies' Garment Workers informed the Labor Dept. that if the government cannot effectively enforce fair labor standards in the home knitting industry over the next two years, the union will seek to reimpose an outright ban on industrial homework.

In a letter to Under Sec. of Labor Ford B. Ford, ILGWU President Sol C. Chaikin said the union views the department's November decision to rescind the 42-year-old ban on homework in the knitted outerwear industry as an "experiment," and will withhold judgment on it for the next 12 to 24 months.

Under the new rule, employers who hire homeworkers must first obtain a certificate from the department and are subject to periodic inspections of wage and hour records.

Chaikin said the union would have challenged the new rule had not the Labor Dept. promised to enforce the Fair Labor Standards Act among employers of homeworkers in the industry.

"If the commitments of resources cannot be kept, or if the rosy predictions of effective enforcement . . . are not confirmed by the quarterly reports from the regions and the record made," Chaikin said, "we will look to you to discontinue the new system."

Chaikin stressed the union's continuing concern that "the same impediments that precluded enforcement of the FLSA among homeworkers in the knitted outerwear industry in 1942 preclude its enforcement among these homeworkers today, and the results of the department's enforcement program since 1981 do not support the Secretary's contrary assessment."

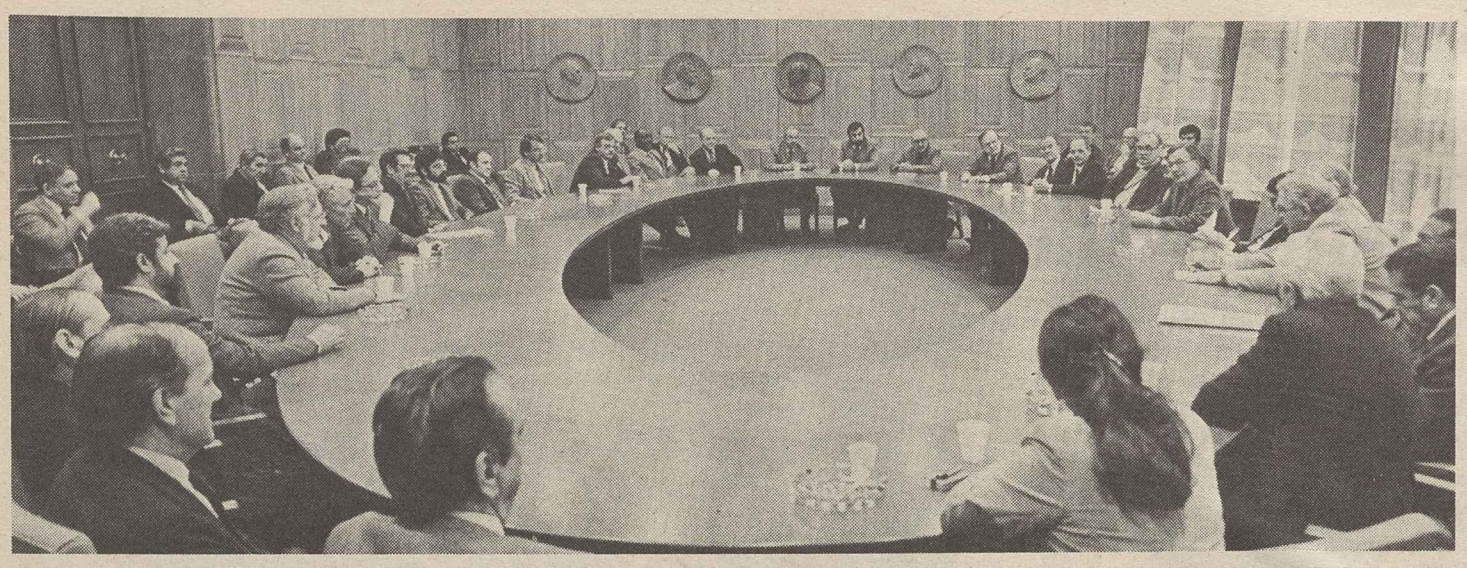
During the two-year experimental project, the ILGWU will make periodic demands for all enforcement records, Chaikin said.

The union has actively fought the Labor Dept.'s three-year drive to rescind the ban on industrial homework. A November 1981 rescission of the ban was successfully challenged with the U.S. Court of Appeals for the District of Columbia ordering the ban reinstated unless modified by rulemaking.

## ITU publications post filled by Clyde East

Colorado Springs, Colo. — Clyde East, organizing director for the Typographical Union, has been named to the union's public relations department where he will coordinate production of the monthly ITU Review. He replaces Horst Reschke.

East, a member of ITU Cincinnati Local 3, worked in the composing room of the Charleston, W.Va., Gazette and as editor of the weekly St. Albans, W.Va., Advertiser, before joining the ITU staff in 1960.



## Overseas program report

Country program directors of the American Institute for Free Labor Development and Asian-American Free Labor Institute exchanged year-end views with AFL-CIO President Lane Kirkland at federation headquarters. The directors reported on the status of programs in countries where AIFLD and AAFLI assist developing unions.

# *Unions seek court action to require tighter exposure limit on toxic gas*

Four AFL-CIO unions are seeking an appellate court review of the Occupational Safety & Health Administration's decision not to set a short-term exposure limit (STEL) for the carcinogen ethylene oxide (EtO), which is used by thousands of hospital workers.

The State, County & Municipal Employees, Service Employees, Clothing & Textile Workers and Hospital & Health Care Employees will join the Public Citizen Health Research Group in petitioning the U.S. Court of Appeals for the District of Columbia for review of the agency's decision.

OSHA's issuance of the EtO regulation, the first health standard under the Reagan Administration, has been a game of cat and mouse featuring court orders and missed deadlines.

The nearly three-and-a-half-year court battle for a standard has resulted in a regulation that will do little to prevent adverse health consequences for those workers daily exposed to the substance, the unions charged.

"The action by OSHA is outrageous," said Jordon Barab, AFSCME's health and safety director. "The short-term exposure limit is one of the most important parts of the standard because of the way EtO is used."

EtO is used as a sterilizer in hospitals, and workers are routinely exposed to short-term blasts of the gas when unloading the sterilizing machines.

### High levels

Barab noted that an AFSCME study of some 40 hospitals showed more than half reporting workers being able occasionally to smell EtO, indicating exposure levels approaching 500 parts of EtO per million parts of air. The new OSHA standard limits its EtO exposure to 1 ppm over a time-weighted 8-hour day.

Barab added, "We're fairly confident we'll win a good standard in court, but it will take a number of years and workers won't be protected during that time."

William Borwegen, SEIU's health and safety director, said this standard is a "typical example of the Office of Management & Budget gutting an OSHA standard, and it's additionally tragic because it's the only health standard released by the Reagan Administration."

OSHA delayed sending the OMB a copy of the standard to review until just two days before the rule was to be published last June. OMB's review questioned the need for a STEL, contending that there is no scientific evidence to support it.

Then OSHA, after having spent nearly three years developing a standard which concluded from available scientific evidence that a STEL is necessary, killed all references to the establishment of a STEL, explaining it would delay making the decision until it received more evidence.

The regulatory action on EtO began in August 1981, when the unions and the health group petitioned OSHA for a more stringent standard and an emergency standard for the interim period. OSHA denied that request and began step one of the regulatory process, projecting that a final standard would be developed by the fall of 1984.

An appellate court decision in March 1983 decried the projected delay and ordered OSHA to speed up the process because of the "grave danger" EtO poses to workers. The agency issued its partial standard on June 17, 1984, and completed its action on Jan. 2, 1985, when it published its denial of a STEL in the Federal Register.

Part of OSHA's objection to setting a STEL is the lack of research on specific high levels of short-term exposures. Existing studies, including one performed by Johnson & Johnson, show EtO is a health hazard, producing cancers and birth defects in workers exposed to certain levels. Because no specific studies have been done on the effect of high "dose-rate" levels, OSHA felt it could not conclude that high short-term exposures are more harmful. The current regulation will permit workers to be exposed to EtO at levels of 96 ppm for a five-minute period daily.

### Callous attitude

Eric Frumin, health and safety director for ACTWU, declared that OSHA's refusal to issue a STEL "again demonstrates the Labor Dept.'s callous attitude toward worker health. The fact is that most workers are exposed to short bursts of EtO. This is precisely the kind of hazard for which STELs are best suited."

He noted that Johnson & Johnson, which employs many ACTWU members, has a STEL in effect in its plants and it has urged OSHA to adopt a similar one.

# Drive opened for standards on VDT safety

Asserting that video display terminals pose potentially the worst safety hazard faced by office workers, the Service Employees and "9 to 5," the National Association of Working Women, have opened a nationwide campaign for legislation to protect VDT operators.

At a news conference launching the effort to win state laws and regulations, SEIU President John J. Sweeney warned that the health and safety problems faced by today's office workers "are no less serious than the problems faced by industrial workers in the 1930s."

They are even "more insidious because of their subtlety," Sweeney said.

The joint "Campaign for VDT Safety," Sweeney said, initially will concentrate on 18 states beginning with Massachusetts where a bill setting standards for VDTs was recently introduced. Other targeted states are California, Colorado, Connecticut, Iowa, Illinois, Indiana, Maryland, Minnesota, Missouri, New Hampshire, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Washington and Wisconsin.

### 10 million in use

Karen Nussbaum, president of SEIU District 925, the union's office workers' arm, noted that about 10 million office workers, mostly women, now use VDTs on the job, and by the end of the decade, the number could rise to 40 million.

Nussbaum, who is also executive director of the national association, said there is already evidence of safety and health problems among VDT users that raise "a very serious red flag for the safety of VDT workers."

The position taken by most VDT manufacturers and employers that precautionary measures are not necessary until there is further research into the hazards is "irresponsible," she charged.

### Legislative effort

Sweeney said tactics used in the effort to gain protections will vary from state to state. In some states, the campaign will seek laws setting standards and design specifications for VDTs, while in others it will aim for regulatory action or purchasing guidelines.

The newest approach, Sweeney said, will be to seek "right-to-know" laws to help workers get answers to key questions about their VDTs, such as whether their machines have proper radiation shielding and glare reduction devices.

Sweeney said the union will continue its efforts to educate employers and workers on the issues. It also will continue to seek voluntary safety standards and will ask manufacturers to build in safety features.

Nussbaum reported that 9 to 5 set up a toll-free hotline in 1983 and "we fielded over 6,000 calls from VDT operators suffering from a wide range of health problems." She said the reports verified research studies that found a high rate of serious ailments among VDT workers.

# 3-year pact ends San Francisco's restaurant strike

San Francisco—A three-month strike against some of this city's best restaurants ended when the members of Hotel Employees & Restaurant Employees Local 2 ratified a new agreement with the Golden Gate Restaurant Association.

The three-year contract, covering 55 restaurants and 1,500 workers, was approved by a 376 to 45 vote. A series of selective strikes at 25 of the 55 establishments had allowed most members of the union to continue working while negotiations continued. The previous contract expired on Aug. 31.

HERE Local 2 President Charles Lamb said the restaurants will increase contributions to the health and welfare plan $60 a month per employee—$15 the first year, $20 the second and $25 in the third. The employers' pension contribution was increased by $5 per month to $47, Lamb said.

Vacation language was improved with workers now eligible for three weeks of vacation after five years of service instead of six years. The contract, however, cut two personal days off and relaxed the work rules on cross-craft "relieving and assisting," Lamb said.

Wages were improved by 3 percent in each of the final two years for those workers who do not receive tips. Those who do get tips will see increases of 2 percent in the second and third years.

Key to settling the negotiations was how to return the Local 800 members to work at establishments that had hired permanent replacements. Lamb said all strikers wishing to return to work must do so within 30 days.

# OSHA seeks review of ruling on noise

Richmond, Va. — The Occupational Safety & Health Administration has asked for a full-court rehearing of the controversial appeals court decision that struck down the agency's hearing conservation rule governing noise in the workplace.

Prodded by labor and professional groups, OSHA petitioned the 4th U.S. Circuit Court of Appeals for a rehearing. It cited the failure of the three-judge panel that issued the split decision to "evaluate the rulemaking record" and to "apply well settled legal standards" for evaluating whether OSHA sufficiently buttressed its presumption that hearing loss in workers exposed to high levels of noise is job related.

The court's Nov. 7 decision held that an employer cannot be required to take any measures to protect workers from exposure to noise hazards unless it can be proven that no non-occupational factors contributed to any hearing loss suffered by the workers.

The AFL-CIO, on Dec. 11, petitioned the appeals court for the right to intervene in the case and informed OSHA of its effort, citing concern that the agency might allow the decision to stand. Such a court ruling, if generally followed, "could well threaten OSHA's authority to promulgate occupational health standards that provide covered workers the protections Congress intended in passing the OSH Act," the federation said.

### Protection measures

The hearing conservation provisions fall into two categories: those triggered by the level of noise in the workplace and those triggered by a worker's hearing loss. When the noise level exceeds an "action level" of 85 decibels averaged over an 8-hour workday, the employer must monitor exposures and provide the workers with annual hearing tests. If a worker experiences a 10-decibel hearing loss, the employer is required to provide hearing protection and training.

OSHA's petition pointed out that the appeals court vacated the entire hearing amendment, even though its objection centered on the provisions that are triggered by a worker's hearing loss. OSHA said, "The court's error in striking down the provisions linked to workplace noise levels is a very serious one, because these provisions by themselves would have afforded employees significant protections."

The AFL-CIO's petition to intervene in the case is still under review and will likely be ruled on when the court decides whether to grant a full-court review on the hearing conservation amendment decision, said George Cohen, an attorney for the federation.

## Dropout rate deplored

# Study stresses needs of Hispanic students

A "shocking" number of Hispanic teenagers are being "wasted" in our society because their educational needs are being ignored and their ambitions and promising potential are stunted.

That's the major finding of a study by the National Commission on Secondary Schooling for Hispanics, whose members include AFL-CIO Education Director Dorothy Shields.

The report warned that the high dropout rates and low school achievement levels of a "staggering number" of Hispanic high school students have a "devastating effect" on their communities today and pose a serious threat to society tomorrow.

But the damage can be avoided, the commission said, by changes in the way the educational system serves Hispanic students.

It urged better communications among students, teachers, parents and community groups, as well as curriculum changes aimed at the unique needs of Hispanic students. It called for more jobs at decent wages so Hispanic students in poor families can meet the urgent need to work without dropping out.

### Teaching stressed

Language barriers are a handicap to many Hispanic students but not the entire problem, the panel noted.

It urged improvements in the teaching of both English and second languages to all students.

Commenting on the report, Shields pointed out that while many Hispanic students do well in school, the wide gap between the expectations of Hispanic students and their achievement rates convinced the commission that the nation's educational system has not been successful in meeting their needs.

"We learned that there is no one pat answer to the problem. A combination of solutions is needed that will, in the long run, benefit not only Hispanic teenagers, but all children in our schools," the AFL-CIO education director stressed.

The commission was formed in 1983 by the Washington-based Hispanic Policy Development Project. Its study was funded by the Atlantic Richfield Foundation, CBS, Inc., Time, Inc. and the Carnegie Corporation.

### Growing population

The report points out that the educational achievements of Hispanic Americans is critically important to society because the Hispanic population is growing quickly and is increasingly "an integral part of the fabric of our society and the future work force available to business and industry."

Yet high rates of poverty and unemployment plague the Hispanic community, and these economic and social difficulties are an important factor in the problems Hispanic students face in school, the commission found.

As many as 45 percent of Hispanic students drop out of school before graduation, and about 40 percent of the dropouts leave school before the 10th grade, the study found. It noted success with projects involving better guidance counseling and other ways of helping students cope with "the personal stress and family stress that arise from the poverty, violence and isolation of inner-city life."

The commission opposed both the exclusive use of English in teaching and entirely bilingual education for Hispanic students.

English is the language of this country and should be taught "efficiently and effectively," the panel said. But Hispanic students who need transitional programs to help them attend English-speaking classes should get that special help, it urged.

Students also should be encouraged to become fully literate in Spanish, not only as part of their own cultural heritage, but also because it is becoming increasingly valuable in the work place to be bilingual, the report recommended.

Better work-study programs are needed to provide students with the chance to earn decent wages and job skills at the same time, the report urged.

# Transit Union picks La Sala to succeed Rowland

Amalgamated Transit Union President John W. Rowland will retire May 1, and the ATU executive board has elected Executive Vice President James La Sala to succeed him and complete the term that expires in September 1986.

Rowland, 64, was first elected president in 1981 and re-elected in 1983. Earlier, he served as the union's executive vice president and as secretary-treasurer. He is the first person in the union's 92-year history to have held each of its three top offices.

Before becoming an ATU vice president in 1964, Rowland had held all elected positions in his home Local 788 in St. Louis.

La Sala, 57, was elected executive vice president at the union's 1981 convention after serving for 12 years as a vice president. Prior to joining the ATU staff as a special organizer in 1968, he held top offices in ATU Local 824 in New Brunswick, N.J.

The ATU executive board also elected Vice President Ellis Franklin, 56, to fill the post being vacated by La Sala. Before his election as a vice president in 1975, Franklin was president of the ATU National Council of Greyhound Locals in Phoenix.



James La Sala



## Backing Yale strikers

A welcome and a pledge of continued support is extended by AFL-CIO Sec.-Treas. Thomas R. Donahue at a reception at federation headquarters to raise money for the strike fund of Hotel Employees & Restaurant Employees Local 34 at Yale University. The 2,600 clerical and technical workers struck Sept. 26 over pay and racial discrimination issues. At the fund-raiser, sponsored by HERE Local 25 and Concerned Yale Alumni, are, from left, Rep. Charles Hayes (D-Ill.), a former Food & Commercial Workers vice president, Rev. Jesse Jackson and Debbie Chernoff of the Local 34 negotiating committee. The strikers went back to work in mid-December, but warned that they will resume the walkout if agreement is not reached soon.

# HRDI's Mississippi project assists dislocated workers

Jackson, Miss. — Dislocated workers throughout Mississippi will be linked with jobs, skill training, and other re-employment assistance through a new AFL-CIO Human Resources Development Institute project.

Operated in cooperation with the Mississippi AFL-CIO, HRDI's Job Transition Services Project will also represent organized labor on a "rapid response team" working to identify potential plant closings in the state and providing early intervention services for the workers. The pilot project, to run through June 30, 1985, is supported by $57,401 awarded by the state under Title III of the Job Training Partnership Act.

"We are excited about the opportunity to work with the Mississippi AFL-CIO on this project," HRDI Executive Director Mike Arnold said. "The jobless rate in Mississippi is the third highest in the country—and many thousands of the unemployed were displaced by mass layoffs and closings," he noted.

Project Coordinator Charlie Horhn, a member of the Electrical Workers, will work out of a Job Transition Services Center in Pearl, Miss., near Jackson.

In cooperation with the Mississippi AFL-CIO, the coordinator will survey all central labor councils, building trades council, and other local unions to identify dislocated workers in all parts of the state.

The project will assess the workers' needs for retraining, upgrading and other re-employment activities, and help them obtain appropriate services and new jobs.

### Prime objective

All project activities will be coordinated with the state employment service, and survey findings will be reported monthly to the Mississippi Employment Security Commission and other agencies serving dislocated workers. A prime objective is to help the agencies target their services to the needs that labor identifies.

The project will also help Mississippi labor contribute its knowledge of growth occupations and assist in directing JTPA training for dislocated workers to these trades.

Horhn will also work with local unions to identify potential plant closings and mass layoffs and provide or arrange needed assistance for the affected workers. Key activities will include:

- Helping conduct Worker Assistance Workshops for workers losing their jobs in company closings and cutbacks.
- Counseling and assessing the marketable skills of dislocated union members and referring them to local employment service offices or other agencies for needed services.
- Working with joint apprenticeship committees for the building trades and other bona fide programs to arrange entry opportunities or preapprenticeship training for dislocated workers.

Follow up surveys will be made on dislocated workers identified through project activities to find out whether they are being adequately assisted by the state's dislocated worker programs and other available services.

# *Maryland studies program a memorial to Tom Bradley*

College Park, Md. — AFL-CIO President Lane Kirkland pledged labor's full "support, encouragement and participation" in making the Thomas W. Bradley Program of Labor Studies at the University of Maryland a success.

Kirkland made the pledge at the dedication of the program honoring the memory of Bradley, who was president of the Maryland-D.C. AFL-CIO when he died Oct. 27, 1983.

The labor studies program at the university will be expanded to include more courses and to make them available at locations throughout the state, Maryland-D.C. AFL-CIO Sec.-Treas. Edward A. Mohler said. The program of labor studies is under the university's Industrial Relations & Labor Studies Center.

Kirkland told the audience of labor, state and university officials that Bradley had helped extend the labor movement's long commitment to education.

"On behalf of this university, he lobbied for more state and federal funding, and on behalf of working people, he lobbied this university itself to do a better job. Working people need and deserve more attention than they get from the schools and universities they support, including this one," Kirkland said.

American workers and their unions today face an array of problems, the federation president said, pointing to "toothless and maladministered laws, increasingly complex technology, cunning and ruthless assaults by so-called 'labor consultants' armed with the latest 'human engineering' tools devised by academic social-science researchers." To face these problems, Kirkland said, workers need education programs taught by teachers with experience in the real world.

Bradley's long fight to persuade the university to upgrade its labor studies program was grounded in his conviction that the better-equipped workers become to cope with the forces that affect their lives, the better Maryland would become for all its citizens, Kirkland said.

"Any institution that proposes to do business under the name of Thomas W. Bradley is setting for itself a very high standard," Kirkland told the audience. "This program, I assume, will be dedicated not only to Tom's memory, but to his principles, his vision and his hope for the future."

## MEBA District 1 elects DeFries as new president

C. E. DeFries was elected president of District 1-Pacific Coast District of the Marine Engineers in a membership vote.

DeFries, 56, is currently executive vice president of the district. He will take office as president on Jan. 1, 1985, succeeding Jesse M. Calhoon, who has held the office since 1961.

Calhoon, who announced last September his decision to retire from the district presidency, continues as MEBA president. He was re-elected to a four-year term as national president at the union's convention last March.

# Unions score extended cuts at Eastern Air

The three major unions representing Eastern Airlines employees may initiate legal action against the carrier to resolve problems posed by the airline's unilateral decision to extend wage concessions beyond the date set by their contracts.

The Machinists, representing 12,000 workers, the Transport Workers, representing some 6,000, and the Air Line Pilots, representing 3,900, were exploring other options also in the wake of the airline's announcement that wage reductions of 18 to 22 percent that were to end Jan. 1 would be extended indefinitely while talks on new contracts continued.

The concessions were agreed to by the unions in December 1983 to help keep Eastern solvent.

Under the agreement, employees gained stock worth approximately one-fourth of the company in exchange for the pay reductions. In addition, employees gained representation on the board of directors and access to company financial data.

### No stock

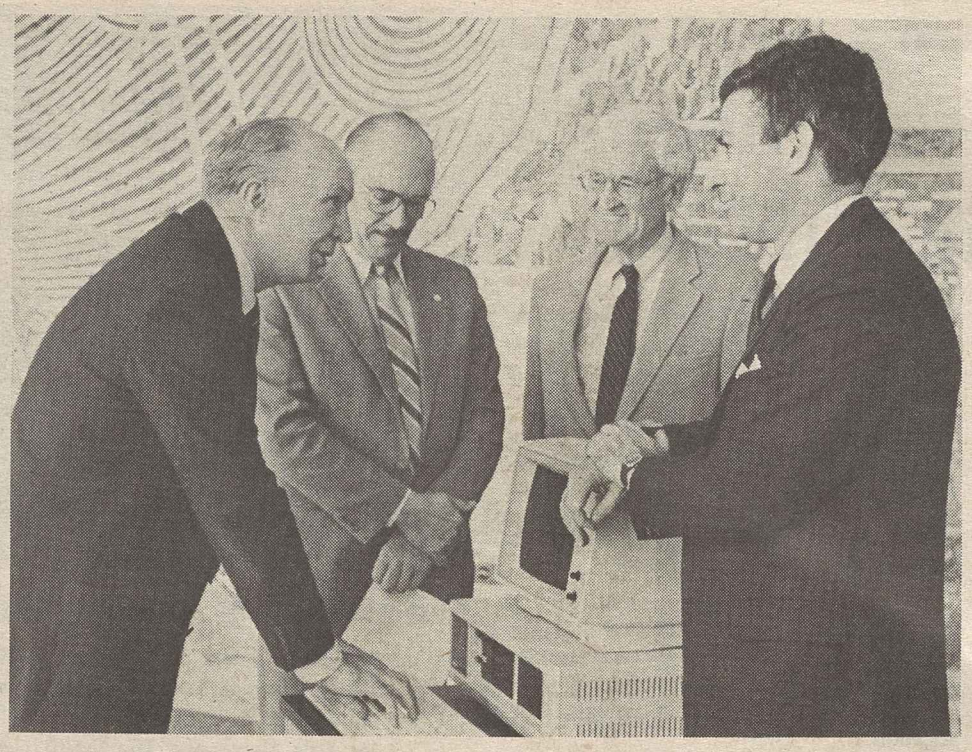
Airlines President Frank Borman informed employees Eastern will continue to withhold 18 to 22 percent from their paychecks but will no longer buy Eastern stock with that money.

As the unions see it, that amounts to a unilateral pay cut.

A key to the dispute will be interpretation of the Railway Labor Act, which requires maintenance of the status quo in wages and benefits when parties in the airline and railroad industries bargain new contracts.

The Machinists pact came up for renewal at the end of 1984, the TWU agreement expires on Mar. 31, and the ALPA contract extends through May.

The airline contended that a so-called status-quo provision in the agreements requires that wages, benefits and rules remain in full effect until it files notice that it seeks to begin negotiations. The unions stressed that the status quo is what exists at the end of the contract term, and that the agreements call for restoration of pay cuts at the beginning of 1985.



## Computer training

AFL-CIO Sec.-Treas. Thomas R. Donahue tries out the new personal computer that was donated to the George Meany Center for Labor Studies. Jim Lindner, president of Philips Information Systems, right, presented that union-made computer to Fred K. Hoehler, Jr., director of the Meany center, second from right, and an identical machine was given to the Operating Engineers, represented by IUOE Research Director Ted Reed.

# Metal Trades members ratify new Electric Boat contract

Groton, Conn. — The New London Metal Trades Council, representing some 12,000 workers at General Dynamics Corp.'s Electric Boat Division, signed a new 42-month contract providing improvements in pensions, pay and health care.

The agreement, ratified in an 8,606-to-786 vote by the members of the nine unions in the council, was settled six months before the prior contract expired.

MTC President Thomas Kiddy said the new contract includes a sign-up bonus of $150 which was paid before Christmas. A 4-percent lump sum payment to workers is scheduled for June 30, 1985, with general wage increases of 4 percent in June 1986 and 3 percent in June 1987.

Over the term of the agreement, monthly pension benefits will be increased from the present $14 to $18 per year of service.

A comprehensive medical plan for retirees and their dependents becomes available on Apr. 1, 1985, with the company picking up two-thirds of the cost of the

The Medical benefits improvements include a hospice care program for the terminally ill, limited to $5,000, a vision care program that provides for biannual examinations and a hearing care plan that will pay up to $400 per ear for hearing aids and $75 for triennial exams.

Sick and accident benefits are improved from a range of $105-$190 to $125-$230.

The nine unions in the council are the Boilermakers, Painters, Machinists, Office & Professional Employees, Carpenters, Electrical Workers, Laborers, Molders and Plumbers & Pipefitters.

# *Oklahoma IAFF wins key ruling*

Oklahoma City, Okla.—Armed with a strong state supreme court decision on collective bargaining rights, Oklahoma City Fire Fighters are hammering out a new contract with the city that has important implications for public employees statewide.

The Oklahoma high court ruled unanimously in late October that the state's fire fighters' and policemen's arbitration law, which provides for collective bargaining and a non-binding arbitration, specifically covers high-ranking officers and supervisors the city had tried to exclude from contract protections.

The Oklahoma AFL-CIO called the ruling a landmark decision that not only expands the protections of the law, but also makes it tougher for cities to use bad-faith bargaining to force talks with their employees to an impasse.

The suit was brought by Fire Fighters Local 1524 President Charles L. Stone and Paul D. Taylor, president of Lodge 123 of the unaffiliated Fraternal Order of Police.

Stone said the unions turned to the courts last August after a series of bargaining sessions that began in May failed to resolve the issue of whether the high-ranking officers would be recognized as employees covered by the union contract and protected by grievance procedures. The existing agreement expired June 30.

The city's tactic, Stone charged, was to force the negotiations to an impasse and to the non-binding arbitration, which the city would then be free to ignore. Oklahoma law prohibits public employee strikes.

But in a key interpretation of the state public worker bargaining law, the high court's nine justices criticized that ploy as a "refusal to bargain in good faith."

Public employers and public employee unions in Oklahoma are obligated to bargain in the "highest standard of good faith" not only by the state law but also federal labor law, the justices held.

For the city to try to force the unions to "abandon" their obligation and duty to represent all members of the bargaining unit as spelled out in state law—because it knows it can get its way by forcing an impasse—is legally "untenable," the court said.

In its opinion, the court stressed that "this strong policy of requiring absolute good faith in bargaining is necessary to counterbalance the absence of the right to strike and the absence of the availability of binding arbitration."

### Order lacking

While the court declared the top officers under the protection of the bargaining law, and found that the city had failed in its statutory duty to bargain in good faith, it did not issue a writ with specific orders to the city.

Stone said that the parties have been back to the bargaining table and have made some progress on language providing for recognition of the unions as representatives of the officers. But talks are stalled again over a grievance procedure, with the union asserting that the officers must be included in the union's procedure while the city is insisting on applying its own personnel policies.

New talks are scheduled for the end of January, and Stone said the unions are prepared to go back to court if a fair set-cover only non-monetary provisions of the two-year contract. Monetary items, which are renegotiated annually, were settled last May.

Stone said the negotiations had produced another key victory when the city council agreed to rescind its strict residency rule that required city employees to live in the city limits.

## Social security payroll tax increased

America's workers will pay a higher social security tax this year, cutting deeper into take-home pay.

As of Jan. 1, the payroll tax rate rose from the 1984 level of 6.7 percent to 7.05 percent. That amounts to an $88-a-year increase for a worker earning $25,000 a year.

The maximum wage subject to the social security tax also goes up, from $37,800 to $39,600. That will not affect anyone whose earnings are below $37,800. But persons earning the new maximum or more will pay a total of $2,791.80 in social security taxes this year, up $259 from 1984. Their higher payments will entitle them to higher retirement or disability benefits.

Some 37 million social security beneficiaries received a 3.5 percent cost-of-living increase in checks delivered this month. They also will be able to earn more in 1985 before having social security benefits offset by earnings.

For recipients under 65, the earnings ceiling was raised this year from $5,160 to $5,400. For those 65-69, the cutoff was raised from $6,960 to $7,320. There is no offset for persons 70 or older.

# Pay gain won in arbitration of postal pact

**Continued from Page 1**

for the catch-up. They will seek to compress the timetable in future contracts.

Most letter carriers and postal clerks hired in the future will catch up to the pay levels of present employees in two steps, over a period of 140 weeks.

Employees covered by the arbitration will receive a 2.7-percent pay raise retroactive to July 21, with additional increases of the same percentage in July 1985 and July 1986. They will continue to receive cost-of-living provisions under the same formula as in the previous agreement. And the $1,643 in cost-of-living adjustments received under the expired contract will be rolled in at the end of the contract period, following the pattern of the previous three-year contract.

Management had proposed to buy out the accumulated COLA with a bonus instead of a roll-in to the pay scale and had sought to reduce the formula for future adjustments.

The unions also obtained an additional holiday, commemorating the birthday of Martin Luther King, Jr., despite management arguments that postal workers already have more holidays than most private-sector employees.

The average postal salary is about $23,000 a year and Kerr, the arbitration board chairman, described the contract wage adjustments as "moderate restraints." The COLA provision, he noted, offsets about 60 percent of the rise in the cost of living. The panel left the provision unchanged, denying both union attempts to increase the formula and a management proposal to apply it only to price increases in excess of 3 percent.

# Nation's economy viewed as shaky

**Continued from Page 1**

Also, the economy generally is losing the initial impetus generated by the huge tax cuts to individuals by the 1981 Reagan tax reduction measure and consumers are beginning to feel more cautious and less confident about the future. Fears of a recession are causing many to defer purchases.

Recovery from the long Reagan Recession of 1981-82 has been uneven, furthermore, and a number of industries are "in very substantial doldrums, particularly basic metals and machine tools, and there are continued problems in textiles and garments," Oswald observed.

While there has been substantial improvement in the U.S. auto industry since the early 1980s, production is still below the robust level of 1978 when domestic output totaled 9.2 million units. Production in 1983 reached 6.8 million units, and climbed last year to about 8.2 million.

"Significantly, there are still 50,000 auto workers on indefinite layoff," Oswald noted.

## Some present

**Morenci, Ariz. — For Christmas, strikebreakers at the Phelps Dodge copper smelter here got a present from the company—their layoff notices.**

**Phelps Dodge, where some 1,700 copper workers have been on strike since July 1983, told the 450 strikebreakers at its facility here on Dec. 22 that after Jan. 5 it would shut down the smelter indefinitely. Morenci is the largest of five struck Phelps Dodge facilities in Arizona and El Paso, Tex.**

**The company provoked the bitter strike by members of 13 unions when it refused to agree to an industry pattern settlement and instead demanded deep wage and benefit cuts. Phelps Dodge had been trying to keep its struck mines and smelters open using scabs and supervisors.**

# EDITORIALS

## Axing the Civil Service

CONGRESS ESTABLISHED the federal civil service 102 years ago this month, and the Reagan Administration appears to be doing its utmost to demolish it.

The most recent episode is the virtual directive to government agencies to bypass the merit system. The Office of Personnel Management has given agencies a free hand to hire "temporary" employees instead of utilizing civil service registers. These new hires would receive fewer benefits and would have virtually no job protection. Their continued employment would be subject to the whim of management—or of the political party in power.

Earlier, President Reagan served notice that he will seek a 5 percent pay cut for all federal workers. Not too subtly, his aides put forth the suggestion that government workers and their unions shouldn't resist too vigorously because the alternative was likely to be more large-scale layoffs.

THE LATEST ROUND of civil service bashing is explained as a necessary step to reduce the budget deficit, which President Reagan discovered after the election does indeed exist.

Perhaps we can help in the process.

A bit of research into 19th Century newspaper files has turned up some potential revenue-enhancers that should appeal to Office of Personnel Management Director Donald Devine.

Back before the reformers messed things up and passed the Civil Service Act of 1883, newspapers in Washington regularly carried classified advertisements from persons who offered substantial sums for appointment to government jobs. We're talking about jobs as clerks, not ambassador posts.

Now there's an untapped source of revenue for a free-enterprise administration. Don't just scuttle the civil service. Follow through by putting the jobs up for sale.

That would really be rolling the clock back.

## Tackling the Deficit

MEMBERS OF the newly elected Congress, Democrats and Republicans alike, have been quoted as expressing dismay at the hard choices they face in an effort to bring the budget deficit down to a digestible size.

The dismay is understandable.

Already, there are hints that the White House will not object too strongly if Congress should take the initiative and block cost-of-living increases for social security beneficiaries. That would get the President off the hook on his campaign pledge not to tamper with social security benefits.

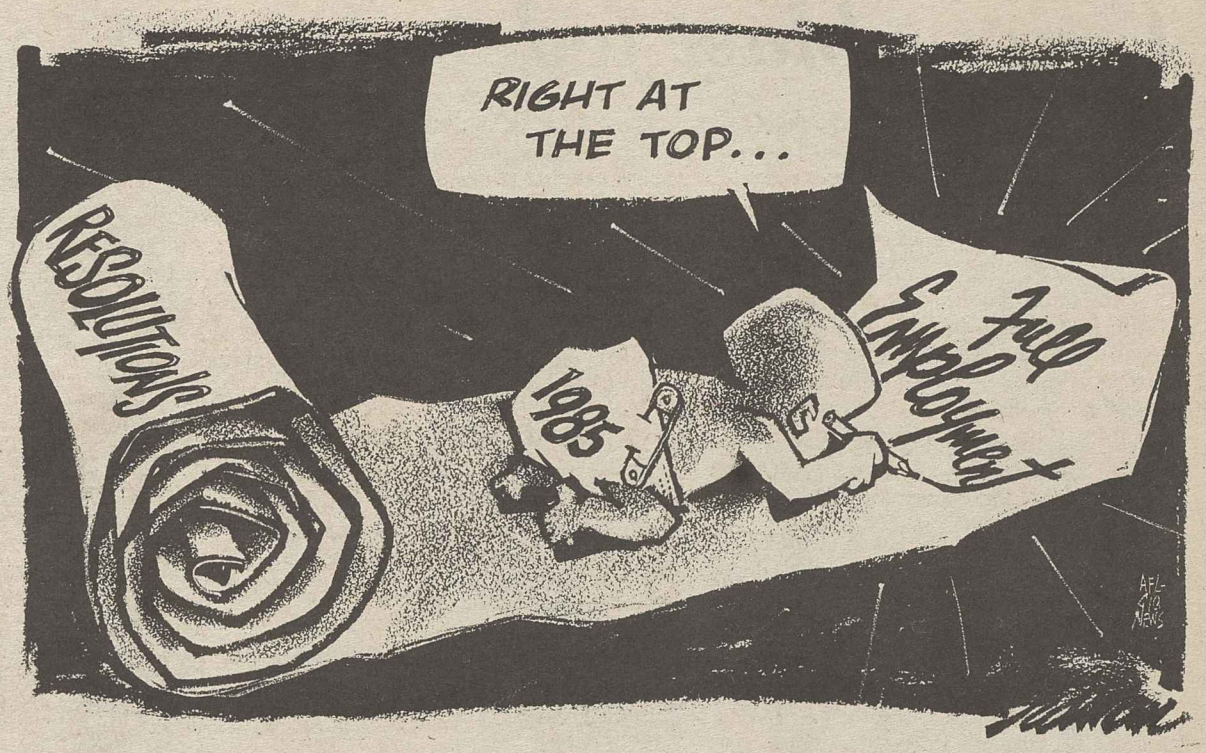
It would also amount to a near-criminal misuse of the surplus currently generated by social security payroll deductions to paper over an unrelated budget deficit instead of paying promised benefits.

Even apart from the social security issue, the budget that President Reagan will send to Congress later this month almost certainly will include program cutbacks that are politically and socially unacceptable, while still short of deficit reduction goals.

THE KEY to dealing with the deficit must be fairness, an element that has been lacking in the Administration's previous budget proposals. And that should apply with at least equal emphasis to the inevitable task of raising additional revenue. There is no way, short of abdicating essential government functions, that spending cuts alone can turn the deficit around.

The Treasury Dept., unwittingly perhaps, took what could be an important step to a solution when it proposed recently a tax simplification package. There are elements that labor opposes, principally the taxation of job-related fringe benefits. But it also calls for significant loophole-closings in the corporate sector.

The tax proposals were designed to be revenue-neutral, neither increasing nor decreasing the total tax burden. But if revenue must be raised, and there appears no realistic alternative, the tax reform elements of the Treasury proposal point in the right direction.




**Washington Window**

# Influx of bogus products costs U.S. workers jobs

**By Press Associates, Inc.**

During the recent Christmas buying season, federal customs agents seized tens of thousands of bogus Cabbage Patch dolls around the country. In addition to being counterfeit, some of the dolls were dangerously flammable.

Lurking beneath the often lighthearted media reports about the cute but phony Cabbage Patch Kids lies an ugly story of multi-billion-dollar consumer ripoffs, injuries, deaths, and lost jobs.

The United States has become the world's largest market for a growing underground business of passing off shoddy, often hazardous merchandise as trusted, trademarked products. Bogus goods cost U.S. companies at least $8 billion annually in lost sales, which translates into more than 130,000 lost jobs each year, according to the International Trade Commission (ITC).

Consumers here and abroad are defrauded out of billions of dollars by commercial counterfeiters who profit richly at little risk from the good name or status appeal of the brands they copy. Consumers use many of these products daily: watches, designer jeans, luggage, golf clubs, cough medicine and even deodorant.

Counterfeit industrial goods also are booming here. The U.S. auto parts industry has been especially hard hit, losing an estimated $3 billion a year to fake and substandard oil filters, spark plugs and many other products. These shoddy products force consumers to spend millions of dollars in unnecessary auto repairs.

### Accident cause

Moreover, phony auto parts such as faulty brake linings are believed by industry experts to be the cause of a growing number of accidents.

Bogus parts have been blamed by congressional investigators for fatal bus accidents and helicopter crashes. Counterfeits of vital parts have been detected on commercial airliners, on a space shuttle test, and in military missile systems.

Consumer health and safety also is being threatened by ineffective or nonsterile drugs, pharmaceuticals and agricultural chemicals.

The value of fakes from clandestine foreign factories has ballooned from an estimated $3 billion in 1978 to about $18 billion in 1983, according to the U.S. Customs Service. This has contributed to the nation's worsening balance of trade.

### Criminal link

Trade in pirated goods today accounts for about 2 percent of total world trade, according to the Commission of the European Community. Elements of organized crime are said to be involved in the distribution and sale of counterfeits, especially in the apparel and consumer electronics industries.

More than 40 countries, including the United States, are sources of bogus goods, according to an ITC study. But most of the fakes were said to originate in the sweatshops of the countries of the Pacific Basin, including Taiwan, South Korea, Hong Kong, Singapore, the Philippines and Indonesia.

Congress moved last October to remedy the weak laws and lax enforcement regarding commercial counterfeiting. It enacted the Trademark Counterfeiting Act providing badly needed criminal sanctions and increased civil penalties against manufacturers, distributors and retailers who market products with counterfeit trademarks.

Further, Congress linked continuation of duty-free trade preferences for developing nations to their actions in stopping the counterfeiting of U.S. firms' trademarked products.

John D. Dingell (D-Mich.), chairman of the House Commerce investigations subcommittee, said: "The enactment of most of the subcommittee's recommendations in only one session of Congress is a testament to the rapidly growing bipartisan awareness that we cannot continue to allow foreign pirates to endanger the health and safety of American consumers and to rob us of tens of thousands of jobs and the capital needed for our economic future."

AFL-CIO news

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# *Unions blast federal move to hire 'temporaries'*

A new Administration policy that encourages federal agencies to hire temporary employees as a means of holding down government costs is "an attempt to undermine the whole federal personnel system," the Government Employees charged.

"It would subvert the concept of a steady, conscientious, reliable, and dedicated workforce," AFGE President Kenneth Blaylock declared.

"It comes down to, 'Do you want to run your government like a model employer, or a McDonald's?' "

The new policy, outlined in a directive by Director Donald J. Devine of the Office of Personnel Management, gives federal agencies broad authority to hire and retain temporary employees without going through the competitive selection process required for permanent Civil Service appointments.

The policy, which took effect Jan. 2, constitutes a significant reversal of personnel policy within the federal government.

"The whole intent of the merit system, when it was established 100 years ago, was to build a long-term career workforce that would maintain continuity when government changes at the top," Blaylock observed.

### Question of quality

"With temporary employees, you get people who are just floating, who are between jobs or not looking for solid work. Are those the kind of people we want inspecting meat, treating veterans, and writing social security checks?"

In announcing the new policy, Devine said the use of temporary employees would make it easier for agencies to adjust to budget cuts and to carry out President Reagan's policy of contracting with private companies to perform certain government activities when it is economical to do so.

"It is necessary to encourage use" of temporary employees, he wrote, because they are "very cost efficient."

Earlier, Reagan had announced his intention to cut the pay of full-time government workers by 5 percent in the next fiscal year and to slash their retirement benefits.

The New York Times reported that a confidential memorandum prepared for Devine by his staff noted that temporary employees "have significantly fewer rights and benefits" than career employees. It also pointed out that temporary employees are ineligible for federal health benefits, may be dismissed "at will," and have no appeal rights or other protection against adverse personnel actions.

Regular government employees who believe their rights have been violated may appeal to the Merit Systems Protection Board, an independent federal agency.

### Job register bypassed

In the 1984 fiscal year, there were 111,964 temporary appointments out of 2.3 million federal employees, excluding postal workers, the OPM said. More than 90 percent were made "outside the registers," without competitive ranking of job applicants.

The AFGE and other unions representing federal workers charge that the Administration is trying to politicize the Civil Service system.

The new policy would allow use of temporary employees not only in low-level technical and clerical jobs but also in professional positions up to GS-12 levels on the federal pay scale. Such jobs pay up to $41,105 a year.

# MEMO FROM COPE

# Don't Buy Notion of 'Realigning' Election

Since November 6, many opinion-deliverers have declared it was a "watershed" election.

Or a "realigning election."

Or a "political sea change."

Or an "upheaval."

Or a lot of other words and phrases to describe the results and the political preferences of the electorate in their aftermath.

Polls discover, and pundits discourse upon, a sharp swerve in party support among voters.

Republicans proudly boast "we're it" for the next 25 years or so. Some abashed Democrats scurry about crying, "we have sinned; send in Jerry Falwell."

The decades-long majority status of the Democratic Party, we learn, has been shaken. Voters have discovered Brand X and are crossing the threshhold into its home.

And this is what surveys show. The most recent is a New York Times/CBS poll. It finds as of early December—one month after the election—that a statistically meaningless two percentage points now separate voters who consider themselves Republicans and those who identify themselves as Democrats.

Factoring in those who call themselves independent but "lean" to one party or another, the standings show Democrats 43 percent; Republicans 41. Sixteen percent of the electorate remains staunchly "independent."

This represents a radical shift from 11 months before. Last January, in response to the same question about party identification by the same poll, voters split 52-36 percent for the Democrats.

Interpretations of the new figures vary. Says one pollster who works for the GOP, "There is no question that we are undergoing party realignment." Says one who works for the Democrats, "The figures are the medical equivalent of a patient running a fever after a catastrophic operation." In other words, like most fevers it's temporary.

So, reactions of partisans naturally are a wash. Responses of nonpartisans also cancel one another out.

One political scientist points out, "The acid test for realignment is what happens in congressional elections when there is a presidential landslide. Where is realignment if people are splitting their tickets?" (As they did November 6.)

Another hedges, "What we see is no definitive change, but it's a first step. Unless Reagan's support collapses, I think the changes in 1984 will be significant."

What the poll and others like it do not measure is the degree—so close in time to a presidential election—to which voters base party identification on their presidential preference. It must have substantial influence on their responses.

Here's a bunch of voters just off a long presidential campaign, and wearied of politics and probably of polls and pollsters, too—more concerned with the approaching holidays, winter weather and who's going to make it to the Super Bowl—and some earnest pollster butts into their lives and asks which political party they prefer.

Fifty-nine percent of them had just cast a vote for Republican Reagan a month back. He is a personally popular man. Surely, large numbers of them would say they lean GOP.

It can as easily be argued that 41 percent Republican Party support in early December is serious slippage from 59 percent GOP presidential candidate support in early November, and that Republicans had better start worrying about *their* base and where *they've* gone wrong.

Of course, that's not the case, not at the moment anyway, but it's hard to buy the "sea change" notion.

The electorate is wise and very selective over the long haul. And political victories—even big ones—can be astonishingly short-term.

Two years after Lyndon Johnson wiped out Barry Goldwater and pulled along 36 new Democrats into the U.S. House, he had to cough back 47 of his party's members of Congress.

Two years after Richard Nixon swamped George McGovern, gaining only 13 House seats while at it, his party was zapped for a House loss of 42.

Two years after Ronald Reagan defeated Jimmy Carter and was accompanied to Washington by 33 new GOP House members, he had to relinquish 26. In 1984, he gained only 14 GOP House seats and actually dropped two in the Senate.

One or two large gaffes—and what President has ever avoided them?—and an apparent firm base of support turns into quicksand. And surely, if presidential popularity wanes, party popularity will wane with it.

In politics, it can be a painfully swift shift from the bravos to the boos, the rah-rahs to the raspberries. So often has it happened to Presidents and parties, nobody should bet on today's surveys for tomorrow's support.

In view of this, it would be a wise idea for Democrats to come back from the guilt trip so many have set forth on and to bide a while before accepting the notion that 1984 was, indeed, a "realigning" etc. year.

## The Shifting Sands

**(Percent party support by different groups Jan.-Dec. 1984*)**

| | January | | August | | December | |
|---|---|---|---|---|---|---|
| | Rep. (percent) | Dem. | Rep. (percent) | Dem. | Rep. (percent) | Dem. |
| Total | 36 | 52 | 39 | 50 | 41 | 43 |
| Men | 39 | 50 | 44 | 47 | 45 | 39 |
| Women | 34 | 54 | 34 | 53 | 38 | 46 |
| 18-24 years old | 41 | 54 | 44 | 49 | 50 | 36 |
| 25-29 years old | 37 | 47 | 41 | 50 | 44 | 43 |
| 30-44 years old | 33 | 56 | 37 | 52 | 40 | 45 |
| 45-64 years old | 38 | 52 | 35 | 51 | 35 | 49 |
| 65 and older | 33 | 50 | 39 | 49 | 44 | 39 |
| Whites | 41 | 47 | 48 | 46 | 46 | 38 |
| Blacks | 7 | 88 | 5 | 87 | 9 | 76 |
| Family income under $12,500 | 30 | 59 | 29 | 62 | 38 | 52 |
| $12,500-$24,999 | 32 | 55 | 40 | 50 | 37 | 51 |
| $25,000-$34,999 | 47 | 44 | 41 | 48 | 51 | 36 |
| $35,000-$50,000 | 42 | 48 | 40 | 51 | 51 | 38 |
| Over $50,000 | 37 | 54 | 55 | 39 | 57 | 36 |
| Northeast | 34 | 51 | 37 | 51 | 39 | 45 |
| Midwest | 41 | 51 | 38 | 48 | 46 | 35 |
| South | 34 | 54 | 39 | 51 | 39 | 46 |
| West | 38 | 49 | 41 | 50 | 42 | 45 |

* New York Times/CBS poll.

### *Two More Close Ones*

**News of close November 6 elections keeps trickling in.**

**In Waterbury, Conn., Joan Hartley (D) won her state legislative race by just two votes out of 9,840 votes cast, 4,921-4,919.**

**In Burlington, Vt., Barbara Grimes (D) made it into the state legislature on the strength of a four-vote edge out of 1,612 votes cast.**

**One vote counts!**

# 'Don't call us,' inaugural ad tells union talent

**By David L. Perlman**

If you are young, attractive and squeaky clean, the Presidential Inaugural Committee may have a job for you as a singer or dancer at inauguration week events in Washington.

It's looking for "clean-cut, all-American types."

But don't expect to be paid for your work. And above all, don't get caught with a union card.

That was the message from the Presidential Inaugural Committee in a theatrical trade publication advertisement announcing auditions in New York for "non-union musical theatre performers."

The term "non-union" was emphasized in the audition call. And entertainment unions, with a long record of cooperation in presidential inaugurations, aren't amused.

They've called on President Reagan, who should know first-hand the importance of a union card to professional performers, to overrule his inaugural committee and minimize the damage done by its blatantly anti-union message.

Actors' Equity, the Television & Radio Artists and the Screen Actors Guild, which Reagan once headed, voiced the outrage of their members. AFL-CIO Sec.-Treas. Thomas R. Donahue protested on behalf of millions of other card-carrying union workers.

In New York, Equity's governing body authorized emergency funds for a protest demonstration in Washington, in cooperation with other unions. And Equity's Ethnic Minorities Committee took sharp exception to the implications of the requirement that audition applicants have a "clean-cut, all-American" appearance. Such language could have "a chilling effect" on job opportunities for minorities, the union group protested.

Equity said it wasn't seeking to have the persons chosen in the auditions denied the opportunity to perform at inaugural festivities. But if they did, it wanted them paid the prevailing wage.

**Continued on Page 3**

AFL-CIO news

VOL. 30, NO. 2
SATURDAY
JANUARY 12, 1985

# Labor presses apartheid battle




South Africa's Phiroshaw Camay addresses conference on support of black unions fighting apartheid.

## *Black unions called key to social change*

**By James M. Shevis**

An internationally coordinated effort by the world's free trade unions in support of South Africa's black labor movement offers the best hope of one day ending that country's racial policy of apartheid.

That was the consensus of top labor leaders from the United States, black South Africa, and other parts of the world as they met in Washington to explore how best to overcome the apartheid system that denies basic human rights to nearly three-fourths of South Africa's population.

AFL-CIO President Lane Kirkland left no doubt of the American labor movement's continued commitment to the cause of the emerging black trade unions. But he emphasized that the battle must be carried within South Africa by black workers themselves.

### Emerging movement

"We have been greatly encouraged by the emergence in recent years of the black trade union movement in South Africa. It is to that movement, and to the brave men and women who lead it—some of whom we are proud to have among us at this conference—that we look for peaceful social change in their country," Kirkland said in a keynote address.

"It is to those inside South Africa fighting on the front lines that we look for leadership in the eradication of apartheid."

Among the 150 trade unionists, academicians, and human rights advocates attending the three-day conference were 11 leaders of South African black trade unions, including Gen.-Sec. Phiroshaw Camay of the Council of Unions of South

**Continued on Page 4**

## *Printing trades unions draft plan for merger*

The presidents of the Typographical Union and the Graphic Communications Union have announced agreement on terms of a merger between the two organizations.

The next step, following verification of financial calculations by actuaries, will be formal action by the governing boards of the two unions.

If the merger plan is approved, it will be submitted for ratification to referendums of the members of each union.

GCIU President Kenneth J. Brown and ITU President Robert S. McMichen have headed the top-level negotiating teams that began last October. Shortly before Christmas, the negotiators reported "a sound basis for merger" and the final sessions were primarily to tie up loose ends.

On the ITU's part, there was a time limit to carry out a mandate to reach an agreement with the GCIU within the deadline set by delegates to the Typographical Union convention. If a merger document hadn't been negotiated, the ITU would have had to hold a referendum on a proposal to merge with the Teamsters.

### Campaign issue

A Teamsters merger had been supported by the ITU's previous leadership and opposed by McMichen in his successful election campaign for the presidency.

In recent months, the ITU has had to battle Teamster raids in several cities despite what McMichen said was the promise of Teamster President Jackie Presser that there would be no raids whatever the ITU decision.

The ITU would have become a division of the Teamsters under the plan previously proposed.

A key issue in the merger dispute within the ITU was whether a shrinkage of membership resulting from the vast technological changes that have revolutionized the printing industry can best be met by strengthening the unity and cooperation of the various crafts within that industry.

The GCIU itself is the product of a series of mergers, involving pressmen, photoengravers and bookbinders.

## Pattern contracts shaped by postal arbitration panels

An additional 100,000 postal employees, represented by the Mail Handlers division of the Laborers and the unaffiliated Rural Letter Carriers, achieved pay and benefit improvements in new contracts shaped by arbitration panels.

They are similar to the arbitration awards issued the previous week on contracts covering the 500,000 employees represented by the Postal Workers and the Letter Carriers.

All of the contracts provide lower starting pay and a catchup within three years for workers hired by the U.S. Postal Ser-

**Continued on Page 2**

## Reagan renews nominations of Rowland, Collyer, Meese

President Reagan has again asked the Senate to confirm his controversial appointments of Robert A. Rowland as head of the Occupational Safety & Health Administration and Rosemary Collyer as general counsel of the National Labor Relations Board.

The AFL-CIO opposed both nominations at Senate hearings last year, stressing that Rowland and Collyer are unqualified for the posts and hostile to the laws and programs they would administer.

The Senate didn't act on the nominations, but Reagan put his nominees in office by giving them recess appointments when Congress was not in session. If the Senate doesn't approve or reject the nominations before then, the recess appointments will expire at the close of the 1985 session of Congress.

Reagan also resubmitted his nomination of White House Counselor Edwin Meese III to succeed William French Smith as attorney general.

Meese was nominated a year ago, but

**Continued on Page 5**

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1/12/85

# OSHA blasted for stalling on formaldehyde

Detroit—The Auto Workers charged that the Occupational Safety & Health Administration's refusal to issue an emergency standard on the cancer-causing chemical formaldehyde is a "complete abdication" of the agency's responsibility to assure worker safety and health.

"We were not surprised that OSHA has chosen for a second time since 1981 to reject issuing an emergency standard on formaldehyde," said Dr. Frank Mirer, director of the UAW's health and safety department. "We are disappointed and angered and quite taken aback by the rationale used in denying the emergency measure."

OSHA Administrator Robert A. Rowland, in a letter to Mirer, said the agency concluded that "there is not sufficient evidence in the record presently before OSHA to support the statutorily required findings of grave danger and necessity."

Rowland said in denying the emergency standard that the agency was not addressing the question of whether a permanent rule on formaldehyde is needed. OSHA will decide on Apr. 15 whether to proceed with permanent rulemaking, he said.

### Court review

The UAW first petitioned OSHA in October 1981 for an emergency standard. OSHA's refusal in January 1982 was subsequently reviewed by the U.S. District Court for the District of Columbia, which ordered OSHA to determine whether an emergency standard is necessary.

In addition to its Jan. 8 letter to Mirer, OSHA sent to the Federal Register for publication on Jan. 11 a notice of public hearings to seek additional comments and data on the health risks of workers exposed to formaldehyde.

Dr. Michael Silverstein, an occupational health physician with the UAW, called OSHA's request for additional data "a stalling tactic." A major issue, according to OSHA, is the wide variance being reported on the risk of death to workers exposed to formaldehyde over a working lifetime. Various projections produced risk estimations varying from six in 1 million to two in 100 for exposure levels of 1 part formaldehyde to a million parts air.

Silverstein said there is significant consensus in the scientific community as to the risks of exposure to formaldehyde, citing OSHA's own staff reports. He said for Rowland to "claim he is paralyzed into inaction because some scientists disagree with each other over the level of risk is regulatory cowardice."

# Now, that's recovery

**Workers may not have noticed any "economic recovery" in their paychecks, but their bosses sure have.**

**A consulting firm's study showed that the average total pay increase for senior executives was 12.6 percent in 1984, up from 5.6 percent in 1983. Total pay includes salary and bonuses.**

**The survey by Sibson & Co. of Princeton, N.J., also found that 90 percent of all executives got raises last year, compared to 78 percent in 1983.**

**The company, which studies executive compensation, surveyed 1,000 firms with sales ranging from $10 million to $30 billion.**

**Bosses in top floor executive suites fared best of all—chief executive officers averaged pay hikes of 17.8 percent in 1984 and chief operating officers reaped 18.5 percent bigger paychecks, the survey reported.**

# Auto Workers have key role in GM's new Saturn project

Detroit—The Auto Workers played an integral part in General Motors' planning for its new Saturn Corp., and the union will have a pivotal role in the innovative labor relations at GM's newly launched small car subsidiary.

GM said it will spend about $5 billion over the next several years to get Saturn on the road to compete head-to-head with low-priced imports. Subcompacts made by the new company, the first new brand name at GM since it established Chevrolet in 1918, will be developed and built using advanced technology and production methods.

Donald F. Ephlin, the UAW's vice president for GM, said the new contract to cover the Saturn operations will be innovative, but will not be a "cut-rate" wage and benefit agreement. Wages and benefits are likely to be structured differently than the UAW's contract with GM divisions, but they will have to be equal to the GM pact, he stressed.

The UAW and GM have been participating in a joint study center in Warren, Mich., since 1983 to find ways to increase worker involvement in methods for building small cars, and GM Chairman Roger Smith applauded the "enlightened cooperative spirit of the UAW and its members" in the work at the center that contributed to the planning for Saturn.

### Worker involvement

Among the 99 labor and management representatives in the joint study center project were 42 UAW workers and local union officials, the 10-member UAW negotiating team for GM, and eight union staff representatives. The study group agreed that conditions in the new workplace should guarantee workers a greater voice and flexibility in decision-making.

No site has been announced for the new Saturn plant, which will employ about 6,000 workers and generate as many as 14,000 more jobs elsewhere in GM and related industries. The plant is expected to produce about 450,000, four-cylinder, four-passenger, front-wheel-drive cars a year.

In a separate development, the UAW's national Chrysler Council voted not to start early contract negotiations with the Chrysler Corp. on the pact that expires Oct. 15.

The council of presidents of Chrysler locals, at a meeting in Detroit, decided not to open talks until a firm strike deadline has been set to take to the table. The UAW has said it will bargain with the company to re-establish full contract parity with agreements at GM and Ford Motor Co. The union granted some concessions to Chrysler in 1979 to help bail out the then financially strapped firm.

# Postal panels follow pattern on pay awards

**Continued from Page 1**

vice after Jan. 18. Unions will seek to compress the catchup timetable in future contracts.

Mail Handlers President Lonnie Johnson said the union was unhappy with the lowering of the starting rate, especially in view of a fact-finding panel's recommendations last September that management drop its demand for a two-tier system. But he welcomed other provisions in the final agreement, including the 2.7-percent annual pay raise and retention of cost-of-living protection.

The unions also won an additional paid holiday, to observe the birth day of Martin Luther King, Jr. starting in 1986, for a total of 10 holidays.

The Rural Letter Carriers, who have been pushing for parity with city carriers, have a slightly different agreement. Their contract, covering some 60,000 employees, will run six months beyond the three-year term for the other postal unions.

They will receive the same dollar amount of increase as the city carriers, but on a percentage basis this will amount to 2.9 percent a year rather than 2.7 percent.

All of the union contracts, including the start of the first-year pay raise, are retroactive to the expiration of the old agreements on July 20, 1984.

As with the earlier arbitration awards, management members of the arbitration panels expressed unhappiness with the provisions for rolling previous cost-of-living increases into the wage structure.

# *Lawsuit harassing unions proves costly for contractor*

San Francisco—A non-union electrical contractor was ordered to pay legal costs incurred by members of building trades unions to defend themselves against a "harassment" suit that a federal judge found was clearly without merit.

The suit brought by the WSB Electric Co. alleged violation of the Hobbs Act and other anti-racketeer criminal laws by the Rank-and-File Committee to Stop the 2-Gate System, which includes members from a number of unions.

The group has mounted demonstrations at construction sites to call attention to the "separate gate" system that is used by employers to limit the right of striking union construction workers to picket at all entrances to a common job site.

A law firm that frequently represents anti-union employers, Thierman, Simon & Cook, came in for a tongue-lashing from U.S. District Court Judge William W. Schwarzer.

The union actions, which were defended as protected under constitutional free speech rights, could not possibly be construed as violating federal laws, the judge held.

He granted a request by the committee of union members to impose "sanctions" against WSB Electric Co. under Rule 11 of the Federal Rules of Civil Procedure.

The rule requires that papers submitted to a federal court be well-grounded in fact and warranted by law. An attorney's signature on the court papers is regarded as certification that the requirement has been met.

### Picket site

The picketing took place last spring at a construction site connected with a Veterans Hospital in San Francisco and continued for several days. There were a few minor scuffles, but the police made no arrests and the WSB firm did not seek a state court injunction, which Judge Schwarzer noted would have been the customary procedure for seeking relief.

Instead, a month later, WSB filed the federal court complaint charging violation of the Hobbs Act, which deals with such crimes as extortion, and of the federal Racketeer Influenced & Corrupt Organizations Act. The suit also charged a criminal conspiracy "to injure or oppress citizens in the free exercise of their civil rights."

The judge dismissed the complaints as without factual base and said the purpose was to "harass" the rank-and-file committee "presumably to disrupt or discourage its advocacy of hostile views."

Cluttering the courts with baseless litigation to pursue "economic or political objectives" requires "the imposition of sanctions," the judge held. The order that WSB pay $6,125 to the committee for its legal expenses has been complied with, attorneys confirmed.




# New Year's tradition

Bakery, Confectionery & Tobacco Workers float in the 1985 New Year's Day Tournament of Roses parade delights curbside viewers with its "Animal Crackers" theme. The float was covered with flowers, spices, coconut and corn husks. The BCT has sponsored a float in the Pasadena, Calif., parade for the last 36 years.

## N.J. ruling clouds status

# Akron latest to adopt chemical hazard law

The combined efforts of the Rubber Workers, Chemical Workers and the local AFL-CIO central labor council won adoption by the city of Akron, Ohio, of a worker "right-to-know" law that is stronger than the federal hazard communication rule.

In Trenton, N.J., however, the U.S. district court ruled that the federal law preempts New Jersey's right-to-know act with respect to industries covered by the federal hazard communication rule. Michael S. Bokar, deputy attorney general, said the state would appeal the ruling.

Akron's new statute, passed by a 12 to 1 vote in the city council and signed into law by Mayor Tom Sawyer, covers some 2,500 chemicals. It requires employers annually to file a list of covered chemicals by work area, to label chemicals by name and to provide workers or their representatives material safety data sheets.

Akron is the third Ohio city to enact a right-to-know ordinance, and Cleveland is close to passing similar legislation, Chemical Workers President Frank D. Martino reported. Nineteen states and numerous cities and towns have recognized by law the right of workers to know the hazards posed by chemicals they are exposed to in the workplace. In most instances, the state and local laws are stronger than the rule adopted by the Occupational Safety & Health Administration.

The new Akron law will go into effect one year after its passage on Dec. 17, 1984, for employers with more than 50 workers and after 18 months for smaller businesses.

The future effectiveness of such local and state legislation, however, is linked to the final outcome of the challenge to the strong New Jersey law by the State Chamber of Commerce and the chemical and fragrance materials industries.

### Backing the law

Unions intervening in support of the state law were the Firefighters, Communications Workers, Ladies' Garment Workers, Paperworkers and districts or locals of the Auto Workers, Clothing & Textile Workers, Electronics Workers, Maintenance of Way Employes, Oil, Chemical & Atomic Workers, and the Aluminum, Brick & Glass Workers.

U.S. District Judge Dickinson R. Debevoise ruled on Jan. 3 that the federal hazard communication standard prevails over the state law "in its entirety" for manufacturing industries covered by the federal safety and health law. Thus, the ruling noted, communities are prohibited from requiring such industries to provide information on chemicals produced, stored or used within their borders unless specific local legislation is enacted to cover the public's right to know.

Judge Debevoise ruled that the federal hazard communication standard is a "standard" and not a regulation under the law and that the federal law is in force even though portions of it do not become effective until a later date.

The state's argument that its right-to-know law has "purposes in addition to occupational health and safety" does not "insulate it from the preemption provision of the OSH Act," the court ruled.

The court did uphold the application of the state law to those businesses not covered by the federal standard.

### Highly industrialized

The decision noted that New Jersey is one of the most densely populated states with a high concentration of chemical manufacturing and processing firms and that some 50,000 different chemicals are in use in industry. For those reasons, the state is appealing the decision in hopes of winning reinstatement of the state law to cover the manufacturing firms.

A suit was filed a year ago in the 3rd U.S. Circuit Court of Appeals in Philadelphia by the Steelworkers and three states challenging the federal hazard communication standard, but oral arguments have yet to be scheduled.

# George Orlando chosen to head of distillery union

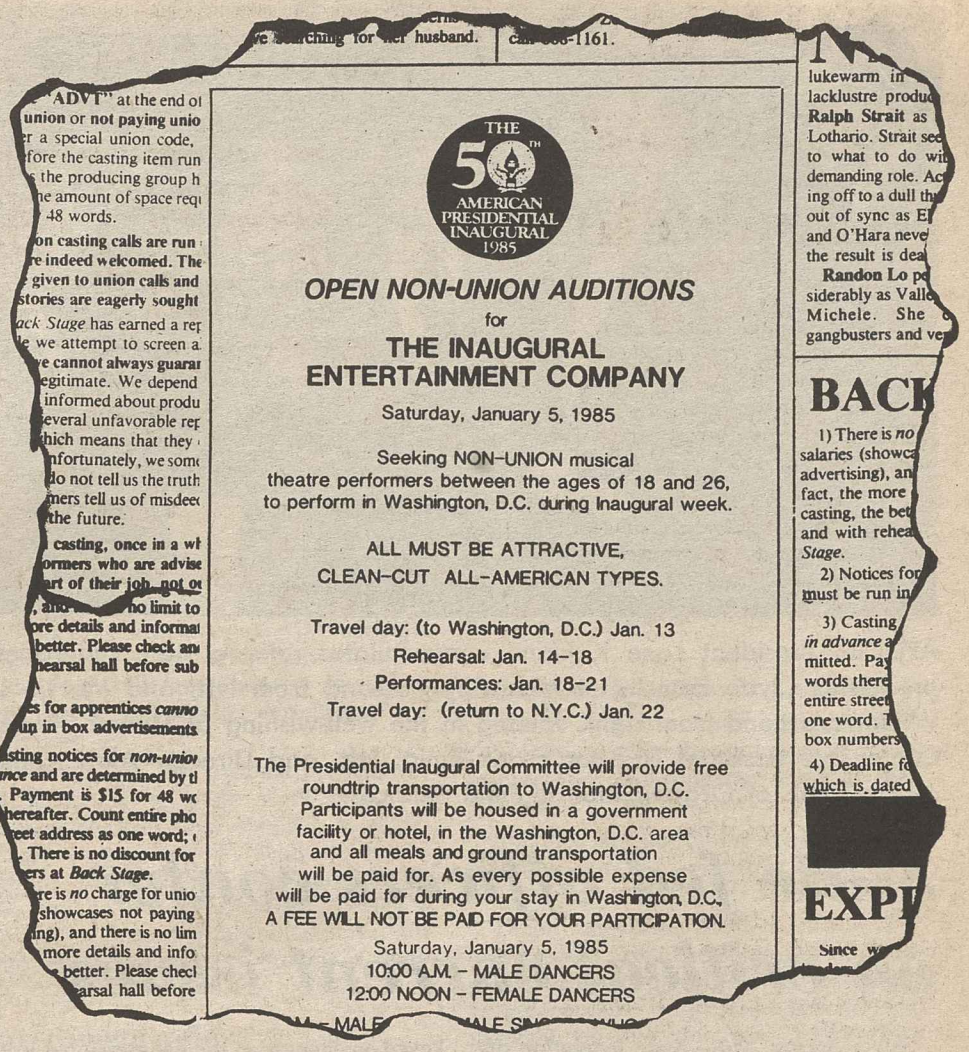
New York — George J. Orlando has been named president of the Distillery Workers by the union's executive board to fill the unexpired term of George J. Oneto, who retired.

Orlando, 40, has been secretary-treasurer of the union since 1974, and had previously served for five years as a vice president.

Oneto, 74, was one of the founding members of the 45-year-old union and over that span served as a vice president and secretary-treasurer before being elected president in 1974.

The executive board also named Vera Catalli secretary-treasurer. Catalli, 43, has been a vice president of the union since 1980.

Orlando and Catalli fill terms of office that will expire in May 1988.




This ad appeared in Back Stage, a theatrical trade paper.

# Inaugural audition call seeks non-union 'all-American' cast

**Continued from Page 1**

AFTRA filed a discrimination charge based on the wording of the advertisement with the federal Equal Employment Opportunity Commission.

The union also called on the Labor Dept. wage-hour division "to take all steps necessary to assure that federal minimum wage standards are adhered to by the Presidential Inaugural Committee."

Inaugural Committee Chairman Ronald Walker, a White House staffer, sought to mend fences with a conference phone call to officials of Equity, AFTRA and the Screen Actors. But he stopped short of taking any remedial action, the unions reported.

The committee's explanation is that the advertisement in Back Stage, a trade paper, was placed by its entertainment consultant, Bob Janie, and hadn't been cleared in advance with the Inaugural Committee. They were really looking for some 200 amateur performers from high schools and colleges, Walker claimed. Union professionals were being used for the principal entertainment events such as the Kennedy Center galas and the formal ballroom dances, he stressed.

The committee raised $12 million for inaugural expenses but said that wasn't enough to pay "volunteer" entertainers.

Representatives of the performing arts unions scoffed at the claim that the auditions were intended for school-age youngsters, and were somehow comparable to the high school bands that come to Washington to march in the inaugural parade.

The age requirement specified in the audition call was 18 to 26. And, the unions noted, the advertisement appeared in a publication for theater professionals, not in some high school or college newspaper.

Previous administrations, they noted, had sought agreement from the unions affected for the waiver of rules or pay scales that would be applicable for commercial performances.

### 200 volunteers

The audition call advertisement promised housing in a government facility or in a hotel in the Washington area. Those who were chosen — the committee reportedly was seeking 200 "volunteer" performers— would have four days of rehearsal in Washington and four days of performances. The call was for male dancers, female dancers and "male and female singers who move well." Singers were instructed to "bring clothes to move in."

It explained that since transportation and meals would be covered, "a fee will not be paid for your participation."

A local paper quoted the casting director for the audition as explaining the "all-American" requirement as meaning that "we didn't want seasoned, slick performers." They were looking for people who would be "more honest and patriotic."

Ken Orsatti, executive secretary of the Screen Actors Guild, termed the advertisement "an insult to all professional performers."

AFTRA Executive Sec. Sanford Wolff said the first union reaction was disbelief. "You can't discriminate against union members. You've got to pay the minimum wage," he said.

Equity Executive Sec. Alan Eisenberg said the union considers the inauguration of a President "a glorious event" and the attempt to bar union members "outrageous."

# *Court rebuffs anti-labor printers*

An employer association that sends anti-union publications to employees of its member companies is subject to reporting and disclosure requirements of the Landrum-Griffin Act, the 4th U.S. Circuit Court of Appeals ruled.

Its 3-0 decision rebuffed the Master Printers of America, a trade association of non-union printing firms, which has battled in the courts since 1978 to avoid complying with the law.

The appellate court panel upheld findings by the Labor Dept. and a federal district court that the trade association was engaged in "persuader" activities, acting as an agent of employers in trying to generate hostility toward unions among their workers.

Such activity is not illegal, but the Landrum-Griffin Act requires reports detailing the actions undertaken and the amount and source of funding. The Labor Dept. suit to compel the MPA to file such reports was initiated during the Carter Administration and has been shuttling back and forth between the district and appellate courts over the past six years.

After losing initially on the issue of coverage, the trade association raised constitutional issues which the district court and the appellate court rejected.

MPA sought unsuccessfully to portray the reporting requirements for persuader activity as unconstitutionally vague. It claimed that the effect of registration and disclosure would be to "chill" its exercise of First Amendment free speech rights. Forced disclosure of its membership and contribution lists would deter members from participating in its programs and discourage membership generally, MPA contended.

### Clear intent

The appellate court rejected all of these contentions. The MPA is "unabashedly anti-union," it noted, and articles in a magazine distributed to employees by arrangement of their employer were clearly intended "to persuade employees about the merits of union organizing and collective bargaining."

It scoffed at the notion that disclosure of an employer's role in financing the distribution of anti-union material would result in threats, harassment or reprisals. Thus the circumstances were not at all comparable to those in a 1958 Supreme Court decision rejecting an attempt by the state of Alabama to compel disclosure of a list of NAACP members.

As for subjecting member firms to "harassment," presumably from union organizers, the decision by Judge Sam J. Ervin III noted that "knowledgeable persons in the industry already know which shops are unionized and which are not. . . . Thus it is difficult to take seriously MPA's fears that disclosure will force a decline in membership."

The appellate decision said any fringe restrictions the law might impose on First Amendment rights were subordinate to the "compelling" government interest in upholding the free choice of employees on union organization. It quoted from the legislative history of the Landrum-Griffin Act this section of a Senate committee report covering disclosure requirements imposed on management middlemen:

"All of the activities required to be reported by this section are not illegal nor are they unfair labor practices. However, since most of them are disruptive of harmonious labor relations and fall into a gray area, the committee believes that if an employer or a consultant indulges in them, they should be reported."



AFL-CIO President Lane Kirkland congratulates retiring state federation presidents Clyde Ramsay of Mississippi, second from left, and Marvin L. Williams, second from right. Joining in the well-wishing at Meany Studies Center are Assistant Director Frank Emig, left, and Director Alan Kistler of the Dept. of Organization & Field Services.

# *State fed officers confer on critical current issues*

Silver Spring, Md.—State federation officers, attending a three-day conference at the George Meany Center for Labor Studies, received updates from AFL-CIO department directors on a broad range of topics from international affairs to postal regulations.

AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue in addressing the participants focused on the recent state legislative elections, the effects of Reagan's "new federalism," health cost containment, and political action.

Kirkland praised the efforts of the state central bodies in the November elections, noting that members of AFL-CIO unions voted for the Mondale-Ferraro ticket "in the landslide range of 61 percent."

Some state legislative elections have resulted in a revival "of the whole right-wing shopping list of anti-worker legislation," Kirkland noted. He pledged that "providing more information and assistance" to the state bodies in a timely fashion is a major goal of the federation. And he noted that objective is more urgent now as Reagan's "new federalism" shifts the burden of social programs to the states.

Detailing the impact of health care costs on the nation and on bargaining efforts, Kirkland told the 52 state body officers from 40 states that the AFL-CIO Executive Council, at its meeting next month, will establish an ad hoc committee to coordinate labor's health care activities and aid cost control efforts at the state level.

## Strategy

"Of necessity, that program will entail fighting health care cost increases on the three fronts of collective bargaining, legislation and coalition building with business and consumer groups willing to join us in tackling the problem," Kirkland said.

Donahue outlined the recent activities of the federation involving South Africa and Poland among other topics. His speech was highlighted with the introduction of five South African trade union leaders who were part of a delegation visiting the federation over the past week.

AFL-CIO Vice President Wayne E. Glenn, president of the Paperworkers and head of the Executive Council subcommittee on affiliation, cited a variety of measures relating to local union affiliation with central bodies that are being discussed by the subcommittee.

Education Director Dorothy Shields explained how her department can assist the state federations in setting up labor education advisory committees. Among other services available, she noted, are assistance in working with university labor programs, workshops on education at state federation conventions, publications and films.

The right-wing attempts to tax fringe benefits and force a constitutional convention were among the items covered by Legislative Director Ray Denison. He also keyed on changes in the congressional leadership and committee assignments and prospects for immigration reform and health care cost containment legislation.

COPE Director John Perkins, aided by staffers David Jessup and Dick Wilson, reviewed the Presidential election results, detailed the findings of a pair of polls on how union members voted, and discussed the outlook for the 1986 state and congressional races.

## Welfare issues

Bert Seidman, director of the Dept. of Occupational Safety, Health & Social Security, joined staff members Margaret Seminario and Jim Ellenberger in covering workers' compensation, unemployment insurance and safety and health concerns.

Seminario spoke on the status of right-to-know legislation, including the recent decision on the New Jersey law. Ellenberger discussed the attempts being made to get workers to pay into unemployment benefits funds, and the moves in some states to stiffen the qualifications for receiving workers' compensation benefits.

International Affairs Director Irving Brown detailed the AFL-CIO's involvement in various trade union organizations on the international level, addressed the effects of international trade on national employment, and expressed the federation's concerns over the status of workers' rights in countries such as South Africa, Poland, Chile, El Salvador and Nicaragua.

Postal service changes were explained by Edwin Schmidt, director of the Dept. of Reproduction & Mailing, including ways of holding down costs for mass mailings and the growing use of electronic communications.

Larry Kirkman, head of the Labor Institute of Public Affairs, described the services available from the federation's broadcasting arm. The audience viewed a sampling of the programs and public service announcements produced by LIPA.

## Conference maps support

# Black unions held key to ending apartheid

**Continued from Page 1**

Africa and Gen.-Sec. Philip Dlamini of the South African Black Municipality & Allied Workers, who were jailed last fall for their role in a massive "stayaway," or general strike, of workers that brought South Africa's industrial heartland to a near-standstill.

The conference was sponsored by the A. Philip Randolph Educational Fund and the AFL-CIO's African-American Labor Center and attracted prominent U.S. civil rights leaders, including Bayard Rustin, organizer of the historic 1963 March on Washington, who is now president of the Randolph Educational Fund.

Kirkland said that AFL-CIO assistance to South Africa's black workers has been guided by the same principle that governed the federation's assistance to the workers of Poland, El Salvador and other countries—"namely, that we will respond to the expressed needs and wishes of our brothers and sisters who are under the gun."

## ILO probe sought

Kirkland and others at the conference renewed the call voiced by South Africa's Camay at the December meeting in Brussels of the International Confederation of Free Trade Unions executive board for an investigation of the "appalling conditions" of black labor in South Africa, including the forced removal of black workers to the Bantustans, or "homelands."

Toward this end, the ILO should consider setting up a commission of inquiry similar to the commissions it established in looking into worker repression in Poland, Chile, and other countries, Camay said.

ICFTU Gen.-Sec. John Vanderveken was authorized by the confederation's board last month to call an emergency meeting of affiliated unions to seek the release of black trade unionists still detained by the Pretoria government and to press South Africa for compliance with international labor standards. He said preliminary discussions on such a meeting have been held with major affiliates, and the meeting will be held no later than April.

"In the meantime," Vanderveken said, "it is vital for maximum assistance—in all its forms—to be given to the independent black trade union movement inside South Africa."

He cited the ICFTU's 1984 action program of assistance to the South African blacks, declaring "the growth and strengthening of the independent black trade union movement is the single most effective means for the repressed majority to gain freedom and justice and to abolish apartheid without undue violence and bloodshed."

"In other words, to quote Bishop Tutu (South Africa's 1984 Nobel Peace Prize winner), 'this is our last chance to avoid a bloodbath.' "

Camay, an ICFTU board member, thanked the U.S. labor movement for its support of South Africa's blacks over the years, particularly for its protest outside the South African embassy in Washington last month.

After sketching the background of the Nov. 5-6 stayaway of South African blacks, the largest demonstration of its kind in the nation's history, Camay said U.S. workers could play an important role in helping him and his colleagues attain their goal of freedom and justice.

## Ultimate goal

"South African workers are not looking for an amelioration of apartheid, but for its destruction," he said, adding that he felt this could best be achieved through coordinated international action.

Jonas Ledwaba, president of the Commercial Catering & Allied Workers, the largest nonaffiliated black trade union in South Africa, traced the historical development of the black labor movement in the country as far back as 1959.

By 1972, the white South African government had come to perceive the black trade union movement as "a force to reckon with," he said. He described last November's general strike as the most historic event in the movement's history.

Its purpose, he said, was "to indicate to the South African authorities that the labor movement and the political movement in South Africa are inseparable."

"This is just the beginning of more things to come," Ledwaba declared. "Our movement has grown by leaps and bounds and can be counted on to make changes in the political and economic climate of the country."

## Backs strategy

Another member of the South African delegation, President Longway Kwelemthini of the Council of Unions of South Africa, endorsed the international strategy outlined by the ICFTU and the AFL-CIO and welcomed the assistance of the world's free trade unions.

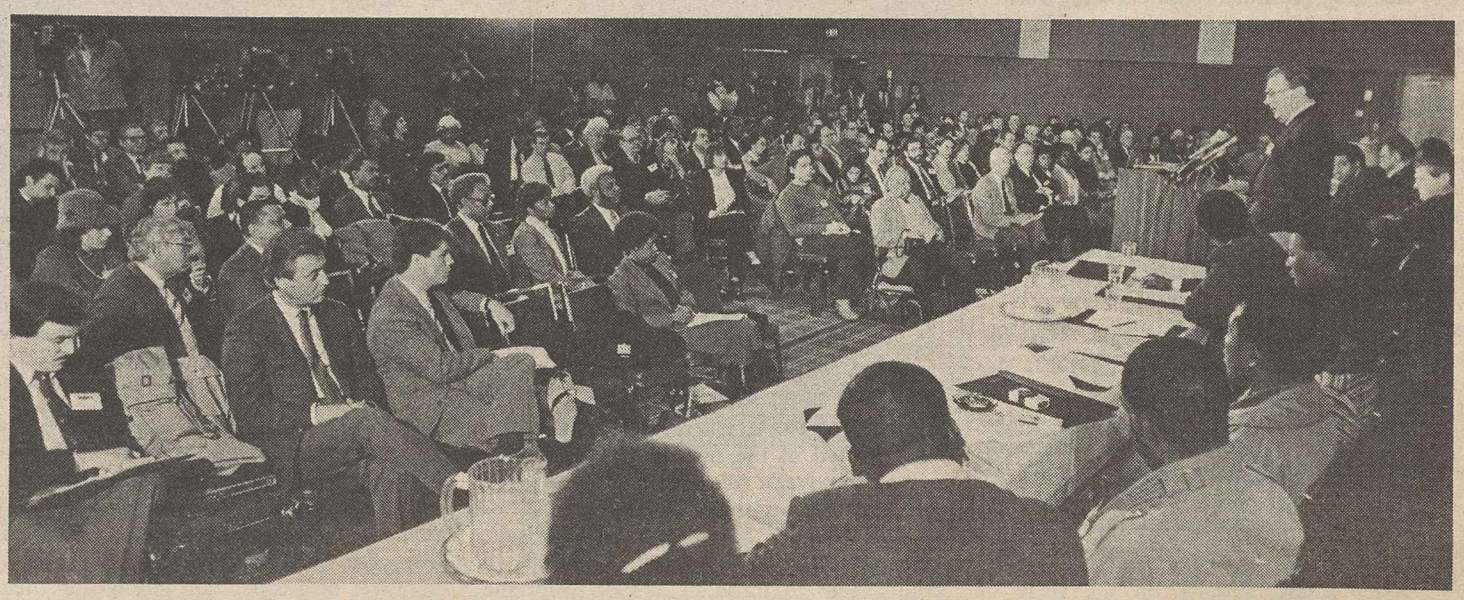
"The fight against apartheid is a universal fight," he said. "The solution must be a universal solution."

Director Irving Brown of the AFL-CIO Dept. of International Affairs focused on the urgent need to abolish South Africa's preventive detention laws, which the government used to jail 21 black trade unionists without charges following the Nov. 5-6 strike.

"The detention laws are an instrument by which a government can decapitate the leadership of a new, rising trade union movement," he said.

"That is why we feel one of the essential tasks of the labor movements of the free world is to develop a tactic that leads to the eventual abolition of those laws."

Other speakers at the opening session included Executive Director Norman Hill of the Randolph Educational Fund, AFL-CIO Vice President Frederick O'Neal, and Rustin.



AFL-CIO President Lane Kirkland pledges continued U.S. labor support for black South African trade unions.

# *Tenacious desire for rights fuels black unions*

**By Susan Dunlop and Candice Johnson**

In a country whose name is a synonym for vicious racist repression, South Africa's black trade unions are managing to grow, fueled by a tenacious desire for human rights that is giving them the strength to stand up to intimidation and harassment that is both official and private, open and covert.

Members of the delegation of black South African union leaders attending a conference sponsored by the AFL-CIO and the A. Philip Randolph Institute described conditions in the nation where the government's official policy of apartheid, or racial separation, reserves power and priviliges for a white minority.

Longway Kwelemthini is president of the Food Beverage Workers and had been acting president of the Council of Unions of South Africa. Like many elected officials of the unions, Kwelemthini combines his duties for the union with a full-itme job as a housing officer for a grain mill.

He has been active in the union for 10 years, and he has worked toward growth of the labor movement in South Africa for over 20 years.

## Unions grow

"They have tried to prevent unions from growing, but the unions are growing just the same," Kwelemthini asserted.

Chele Ernest Lethole is a vice president of the union, which has about 16,000 members in nearly every facet of food production, including bakeries, breweries, beverage bottling, dairies and grain mills. Lethole also works full-time in a mill, and has been vice president of the national organization since 1980.

Although labor laws passed by the South African government in 1979 eased some restrictions made it a little easier for black workers to organize unions, management—abetted by the security police—still uses intimidaiton to thwart organization and weaken existing unions, Kwelemthini and Lethole pointed out.

When it is known that the union is organizing in a facility or a particular region, the security police may suddenly visit workers in their homes, or managers on the job may read off a list of names of people who have joined the union and drop a strong hint to the effect, "tomorrow there will be no union members here," they said.

In a shop where there is an especially effective shop steward, the employer may offer the worker a slightly different job, such as one with increased responsibilities, and then claim that the employee is now a supervisor and no longer able to represent the union.

## Pressure on jobs

Hamilton Makedama, general secretary of the 6,000-member Hotel, Liquor & Catering Trade Employees, pointed out that management may also strongly suggest to a union official that he or she is spending too much time on union business and must make a choice between one job or another.

Makedama, who works at the Carlton Hotel in Johannesburg, described how the white government's use of black South African "homelands" is also used to control workers.

As a native of the homeland or "Bantustan" of Transkei, he was obligated to sign a 12-month labor "contract" with an employer in order to get a pass to travel to Johannesburg to work and live.

Because there are no jobs in the homeland, workers are anxious to migrate to the cities to work under the contracts. The desire to hold on to a precious job becomes a factor when an employee is deciding whether to join a union.

The contracts must be renewed annually, and an employer does not have to give any reason for not renewing an agreement.

To be authorized to live in Johannesburg permanently, Makedama had to "qualify" under a law that requires him to work for the same employer at least 10 years or consecutive employers at least 15 years. Had he lost his job, he would have been forced to return to his homeland within 72 hours. Family members not working under labor contracts are not allowed to join workers in Johannesburg until they are "qualified."

Similar restrictions apply to black workers who want to buy a home or property.

None of these restrictions of movement, employment or property rights applies to whites.

Conditions are only slightly easier for workers who are born in Johannesburg, including Jonas Ledwaba. He is president of the 35,000-member Commercial Catering & Allied Workers which represents workers in the wholesale food industry as well as some hotels and smaller restaurants and tea rooms.

Ledwaba, the first national president of the union, is a credit clerk with the largest wholesale food supplier in South Africa. As a native of Johannesburg, he was able to move more freely around the city, and he was not required to sign a contract or remain with one employer for many years in order to become a "citizen" of the city.

## Government role

Ledwaba and Makedama explained that unions and employers in South Afirca, despite the power held by management, do enter into legal contracts and negotiations, and if talks reach an impasse, they can seek conciliation with the help of the government.

The desire for stable labor relations by employers is usually the motive behind employers' recognition of unions, and more enlightened employers have even spoken out against some of the government's harsh, anti-union policies when they have interferred with that stability, they explained.

Workers may also strike, although they are supposed to petition to government to do so, and the use of scabs and strike-breakers—as well as firing of strikers—is common. Because conditions make legal strikes difficult, workers do resort to wildcat walkouts in some instances.

The conciliation process, Makedama said, is intended to head off a breakdown in relations between the parties that have to petition the government's Dept. of Manpower to appoint a conciliation board. But if the minister chooses, he can refuse to appoint a board and declare that management was right in the dispute. Although the department has never made such a declaration in a union's favor, appointment of a board is an indication that the government thinks the union view should be heard.

## Facing difficulties

Clearly, black unions in South Africa face extreme difficulties in organizing, bargaining and protecting the rights of their members.

But they are not letting the size or the multitude of the problems overwhelm them or stop them.

Union leaders in South Africa believe that support from the international labor community is important to their continued progress because it focuses an international spotlight on the treatment of working people in their country.

"People should be aware that we exist and that people in South Africa are suffering," Kwelemthini asserted.

Lethole noted that American unions can offer not only moral support but other practical help, like information on safety and health protection, steward training, collective bargaining strategies and grievance handling.

Above all, the union leaders agreed that American unionists must understand the unique position of unions in South African society and their determination to make free trade unionism a reality.

# Reagan renews nominations of Rowland, Collyer, Meese

**Continued from Page 1**

an ethical controversy over how he was helped out of financial difficulties by persons subsequently appointed to federal positions put the nomination on hold. A special prosecutor last spring found no grounds for a criminal prosecution of Meese, but he declined to comment on the "ethics and the propriety of his conduct."

Senate Judiciary Committee hearings on the nomination are expected soon after Congress returns for the inaugural. Meanwhile, Smith is continuing as head of the Justice Dept.

The Cabinet shuffle at the start of Reagan's second term is turning out to be bigger than anticipated.

Education Sec. T. H. Bell, a moderate in the Reagan Cabinet, was the first to resign. His successor, just announced, will be William Bennett, who has headed the National Endowment for the Humanities. Bennett's selection was warmly praised by Teachers President Albert Shanker, who said the AFT has long had a good relationship with the new secretary.

Another Cabinet change is the result of a headline-making swap in which Treasury Sec. Donald T. Regan will become Chief of Staff at the White House. James A. Baker III, who now holds that key job, will be nominated to replace Regan as Treasury Secretary. Baker's top aide, Richard Darman, will go with him as Deputy Secretary of the Treasury.

As the White House explained the unusual swap, Treasury Sec. Regan originated the idea and sounded out Baker. Reagan wasn't even consulted until the exchange had been worked out and presented to him for approval.

A close Reagan associate, William P. Clark, resigned as Secretary of the Interior and is leaving government. Energy Sec. Donald Hodel will move over to replace him. The new Secretary of Energy will be John Herrington, now the White House personnel director.

Still to be named is a successor to Jeane Kirkpatrick in the Cabinet-level office of U.S. representaitve to the United Nations.

## Donovan's absence

The Labor Dept. continues to be administered by Under Sec. Ford B. Ford. Labor Sec. Raymond J. Donovan has been on leave of absence since Oct. 1 pending the outcome of the criminal court case involving the construction firm with which he was associated before his appointment to the Cabinet.

Just below the Cabinet level, the Senate will also be acting on the confirmation of Lee M. Thomas to head the Environmental Protection Agency as successor to William D. Ruckelshaus.

# Housing Trust boosts construction fund loans

The AFL-CIO Housing Investment Trust has more than doubled its loans for long-term, union-built construction projects since its merger last October with the older Mortgage Investment Trust.

John Evans, HIT's chief executive officer and financial manager, said the trust has already loaned about $95 million, mostly for single-family home building.

Evans said the new trust now has about $107 million in assets. To qualify for loans, all construction on a job must be carried out by union labor and the funds government-backed.

HIT was established nearly two years ago as a separate and distinct entity to serve as a vehicle for the investment of union funds and qualified pension funds, primarily in single-family housing and nursing homes throughout the country. The MIT lent the bulk of its funds for multi-family construction projects.

# Relief fund launched

**The AFL-CIO has established an African Drought Relief Fund to channel American union aid directly to unions in famine-stricken regions of Africa to help them care for their members and their families.**

**Federation President Lane Kirkland said the fund had been set up to coordinate contributions from "concerned AFL-CIO affiliates and local unions who have generously set aside funds from their treasuries to aid the victims" of the drought and famine.**

**The fund will be administered by the federation's African-American Labor Center.**

**Kirkland pointed out in a letter to affiliates that the "union-to-union" effort is not in conflict with other international relief and humanitarian agencies providing assistance to the more than 150 million Africans afflicted by the worsening drought in Ethiopia, Chad, Mozambique, Mali, Sudan and Mauritania.**

**The fund is similar to previous efforts by the AFL-CIO to channel help to victims of other catastrophes.**

**Donations should be sent to the AFL-CIO African Drought Relief Fund, African-American Labor Center, 1400 K Street, N.W., Washington, D.C. 20005.**

# Teachers press Congress to preserve education aid

Tax and budget proposals that will be considered by Congress this year could be hazardous to public education, the Teachers warned.

An AFT "action agenda" for 1985 urges that federal funding of special education programs for needy children, vocational education assistance and Head Start for pre-schoolers be exempt from any budget freeze.

Current levels of federal aid are already inadequate and "a freeze would be a giant step backwards," AFT President Albert Shanker said.

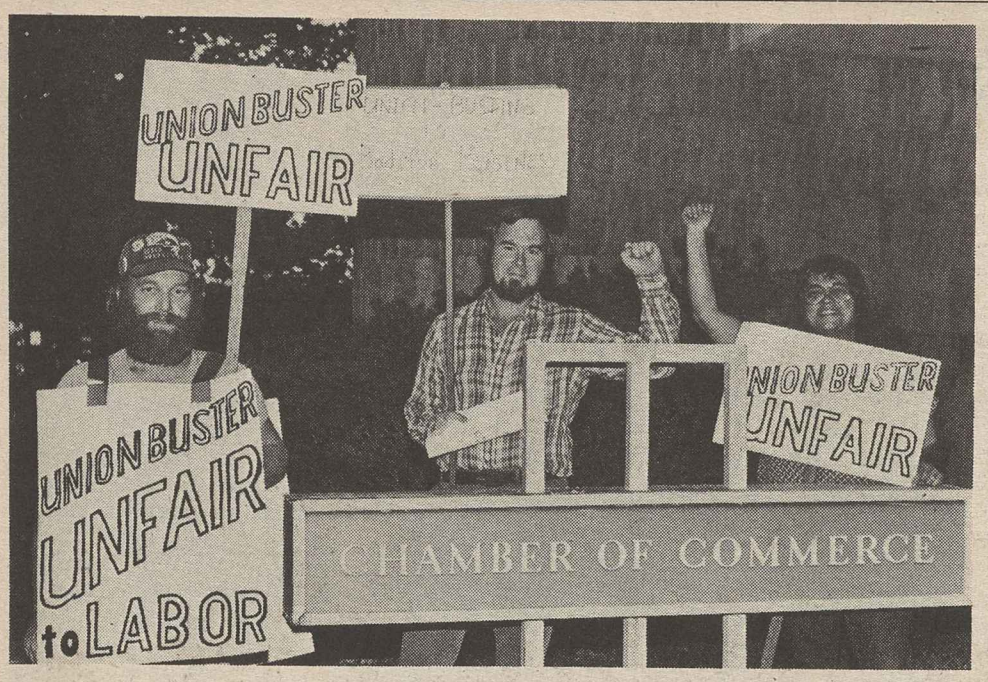
At a news conference, Shanker also warned that a Treasury Dept. proposal to end the federal income tax deduction for state and local taxes would weaken school systems across the country. He said it would squeeze the principal sources of school funds "at a time when states and localities are making a sincere effort to upgrade public education."

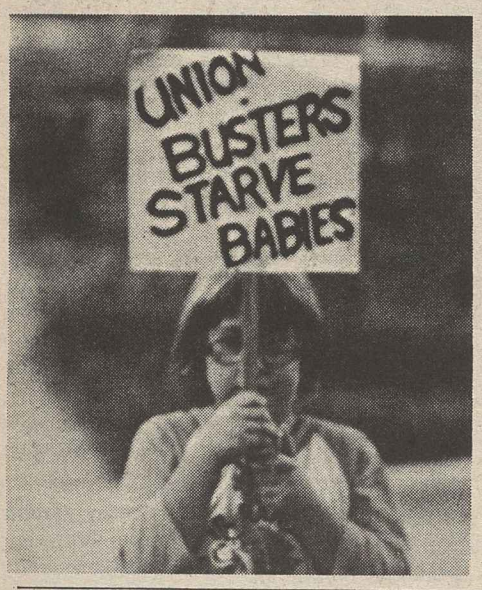
The AFT also announced a television ad campaign, using five 30-second public service spots, with free brochures available to provide more detailed information.

Subjects to be covered are titled Asbestos in the Schools, Home Learning Activities, Teacher Shortage, Healthcare Costs and Traffic Safety.

Its alert on asbestos hazards notes that an Environmental Protection Agency study estimates that 31,000 school buildings contain cancer-causing asbestos.

The union, with 610,000 members, also has adopted as a goal increasing the number of AFT locals that maintain "Dial-a-Teacher Homework Hot Lines" to assist youngsters having trouble with their school assignments. About 50 AFT locals now operate such programs.




## Bad business

Pickets outside a union-busting seminar conducted for the Gainesville, Fla., Chamber of Commerce by management consultant William E. Sizemore offer participants a lesson in how workers feel about union-busting outsiders and their tactics. Above, pickets are Joe Crane of the Carpenters, North Central Florida AFL-CIO President Rick Trachsel and COPE Director Abby Goldsmith. At left, Goldsmith's daughter Emma.

# '85 conventions slated by AFL-CIO affiliates

*Below is a list of conventions scheduled for 1985 by AFL-CIO national and international affiliates, state central bodies and fraternal organizations. Changes and additions will be reported.*

| DATE | ORGANIZATION | PLACE |
|---|---|---|
| Mar. 18-20 | Louisiana | Baton Rouge |
| Apr. (no date) | New Jersey | Atlantic City |
| May 13 | Plate Printers & Engravers | Ottawa |
| May 20-23 | Grain Millers | Toronto |
| May 23-25 | Arizona | Flagstaff |
| June 10-12 | Idaho | Boise |
| June 11-14 | Pennsylvania | Philadelphia |
| June 13 | Actors & Artistes | New York |
| June 15-16 | Puerto Rico | San Juan |
| June 17-28 | Flint Glass Workers | Bal Harbour, Fla. |
| June 23-25 | Mechanics Educational Society | Atlantic City, N.J. |
| June 24-27 | Musicians | Charleston, W.Va. |
| July 24-28 | Newspaper Guild | Pittsburgh |
| July 15 | Communications Workers | San Francisco |
| July 15-17 | Police Associations | Tacoma, Wash. |
| July 24-27 | Texas | Austin |
| July 29-Aug. 2 | Aluminum, Brick & Glass Workers | Toronto |
| Aug. 5-9 | Railroad Signalmen | Las Vegas, Nev. |
| Aug. 10-14 | Tennessee | Nashville |
| Aug. 12-15 | School Administrators | San Juan, P.R. |
| Aug. 15-17 | Montana | Helena |
| Aug. 21-23 | Iowa | Waterloo |
| Aug. 25-Sept. 1 | Glass, Pottery & Plastics Workers | Pittsburgh |
| Aug. 31-Sept. 2 | Farm Workers | Bakersfield, Calif. |
| Aug. 31-Sept. 2 | Siderographers | (not set) |
| Sept. (no date) | Wyoming | Casper |
| Sept. 2-6 | British Trades Union Congress | Blackpool, England |
| Sept. 5-7 | North Dakota | Bismarck |
| Sept. 9-13 | Allied Industrial Workers | Pittsburgh |
| Sept. 11-13 | Connecticut | New Haven |
| Sept. 16-19 | Florida | Miami Beach |
| Sept. 17-19 | Oregon | North Bend |
| Sept. 18-20 | North Carolina | Charlotte |
| Sept. 20-21 | Washington | Kelson |
| Sept. 22-24 | Minnesota | St. Paul |
| Sept. 23-25 | Nebraska | Grand Island |
| Sept. 23-27 | Transport Workers | Las Vegas, Nev. |
| Sept. 23-27 | Bricklayers | Las Vegas, Nev. |
| Sept. 26-28 | South Carolina | Charleston |
| Oct. 2-4 | Massachusetts | Boston |
| Oct. 4-5 | Rhode Island | Providence |
| Oct. 7-10 | Maryland-D.C. | Baltimore |
| Oct. 16-18 | Georgia | Jekyll Island |
| Oct. 16-18 | West Virginia | Charleston |
| Oct. 16-18 | Michigan | Detroit |
| Oct. (no date) | Alabama | (not set) |
| Nov. 7-15 | Flight Engineers | Auckland, N.Z. |
| Nov. 6-8 | Maine | Rockland |
| Feb. 18-22 | Executive Council | Bal Harbour, Fla. |
| May 7-9 | Executive Council | Washington |

# Appeals court ruling refines arbitration role of judiciary

Chicago—Courts have the right to decide whether issues in labor disputes are arbitrable, but they should refrain from doing so if that will embroil them in determining the merits of the cases, a federal appeals court held.

The decision by the 7th U.S. Circuit Court of Appeals fine-tunes the role of the judiciary in arbitration. It upheld a lower court order requiring arbitration of a dispute between Western Electric Co. and Communications Workers Local 5090 over whether a layoff grievance was itself arbitrable under the contract.

The issue revolved around Western Electric's decision in 1981 to lay off 79 workers at its Chicago facility. Subsequently, the company brought in 80 workers from other states, and the CWA local claimed the layoffs were improper because there was no lack of work to justify them.

The union filed a grievance but Western Electric claimed that a "management functions" clause in the agreement gave it the right to lay off, and it refused to arbitrate the issue. The U.S. District Court for Northern Illinois found for Local 5090 and ruled that the issue of arbitrability was itself arbitrable. The company appealed, contending that the court itself should have decided the question of arbitrability.

In the opinion for the 7th Circuit Court, Judge Harlington Wood agreed with the lower court and held that while there is ample precedent for a court to decide arbitrability, it is correct in referring that question to an arbitrator if the court's action would "entangle" it in determining the merits of the grievance itself.

Judge Wood said the courts should be suspicious of attempts to pull them into deciding the merits of labor disputes through the "back door" of interpreting an arbitration clause. He added that using the services of an arbitrator to decide arbitrability issues is proper in such contractual disputes.

As a general rule, Judge Wood said, the courts should require arbitration of the arbitrability issue in situations where the contract contains a standard arbitration clause, where the parties have not clearly excluded the arbitrability issue from arbitration, and where deciding the issue would "entangle the court in interpretation of substantive portions of the collective bargaining agreement and thereby involve consideration of the merits of the dispute."

# New Kansas City Star pact caps lengthy ITU campaign

Kansas City—A five-year stand-off between Typographical Union Local 80 and the Kansas City Star ended with the ratification of a six-year contract providing pay increases totaling $200 a week over the term of the agreement.

The signing of the contract also ended the union's two-year "corporate campaign" that underscored the union-busting tactics of the Star's owner, Capital Cities Communications.

As a part of that campaign, a Fair Contract Committee was formed to focus national attention on the plight of the 140 ITU printers and mailers working at the newspaper. Included on that committee were AFL-CIO President Lane Kirkland, Screen Actors Guild President Ed Asner and former Labor Sec. Ray Marshall.

The contract dispute began in August 1979 when Capital Cities, a New York conglomerate, refused to extend the lifetime job security provision which was in the ITU contract.

The ITU members continued to work without a contract and without any wage increases from 1979 to ratification of this agreement. Both the mailers and the printers received immediate raises of $120 a week, $17 a week in the second through fifth years and $12 in the final year.

Job security is provided through 1990 for all those who were working at the Star when the last contract ended.

The company will provide written notice "as soon as possible" on any plans to introduce new technology and agreed to provide training to the ITU members on that equipment.

The ITU campaign against the Star included a subscription boycott, handbilling of advertisers, informational picketing, and the introduction of resolutions at the company's stockholder meeting.

# Clemson scored for spurring textile exodus

Columbia, S.C. — Organized labor in South Carolina has registered a strong protest over Clemson University's plans to hold a conference in Barbados on offshore textile manufacturing, charging the move could further hurt the state's textile and apparel industry.

"Considering the current economic status of the textile industry in South Carolina, the members of the South Carolina AFL-CIO have problems with a state-supported university advocating the advantages of the textile industry leaving the state and taking our jobs to the Caribbean area," State AFL-CIO President Randall Kiser declared in a letter to Clemson President William Atchley.

"This is not a union or nonunion issue. This is a job issue," Kiser stressed.

The three-day Clemson conference is scheduled Jan. 29. Top executives of the state's textile and apparel industry have been invited, at a cost of about $700 each, to learn about the labor supply, plant sites, investment regulations, and wage and utility rates in the Caribbean basin.

With his letter to Atchley, Kiser enclosed a list of South Carolina textile plants that have closed in the past three years. During most of that time, the state was suffering from double-digit unemployment.

Copies of the letter were sent to the governor, lieutenant governor, the state's congressional delegation in Washington, and the chairmen of the House and Senate education committees in the state general assembly.

The labor protest, with special help from the Ladies' Garment Workers and the Clothing & Textile Workers, has already generated considerable media attention. "I don't think they planned on all this pressure," Kiser said.

Eighteen South Carolina textile and apparel plants closed in 1982, with the loss of 5,300 jobs. In 1983, the loss was 17 plants and 2,644 jobs and last year 17 plants closed with more than 5,000 workers put out of jobs.

While the state's economy has become more diversified, the textile and apparel industry still ranks as South Carolina's major employer.

"Cotton is still king in South Carolina," Kiser said. "When the textile industry coughs, the economy catches a cold.

"These plant closings hurt not only those who work there, but the whole state since the tax base shrinks. Schools and public services are cut back, and everyone suffers."

# EDITORIALS

## The Hope for Change

APARTHEID IS so morally repugnant, so universally despised and so cruel in the economic exploitation it promotes that no language seems excessive in denouncing it.

Yet despite the outpouring of words, resolutions and dire warnings, the system has changed very little over the years.

If neither fiery rhetoric nor toothless diplomacy have so far brought results, where lies the hope for nonviolent change? What are the prospects for tearing down racial barriers, for establishing majority rule, for guaranteeing human rights for all?

The trade union movement approaches these issues from a certain perspective, the product of our own experience both here at home and around the world.

We do not look to governments, self-inspired, to reform themselves. We look instead to the organization of democratic institutions, independent of the state and defending the interests and aspirations of ordinary people against hostile state power and entrenched privilege.

The more authentic, effective and broadly based such institutions become, the greater the prospects that social change can be accomplished without violent upheaval.

This is the concept on which the trade union movement is based.

IN THE PARLANCE of human rights, this concept is known as freedom of association. It enjoys nearly universal lip-service, although its strategic importance to democratic development is far from universally or fully understood.

But it is well understood by the American labor movement, and that is why we have been so encouraged by the emergence in recent years of the black trade union movement in South Africa. It is to that movement, and to the brave men and women who lead it—some of whom we are proud to have among us at this conference—that we look for peaceful social change in their country.

In seeking to help them, we have been guided by the same principle that has governed our assistance to the workers of Poland, El Salvador and every other country where our help has been requested.

Those who trample workers rights march under different banners. Fascists smash workers' organizations in the name of fighting communism. Communists smash workers' organizations in the name of building the workers' state.

We don't care what banner they march under. Our job is to see that they don't kick workers around.

*—Lane Kirkland at Washington conference, Jan. 10, 1985.*

## Building Jobs

A WELCOME development of recent years has been the decision by the principal Japanese auto makers to set up production facilities in the United States.

Does anyone seriously believe, however, that Toyota, Nissan and Honda are acting out of a good-hearted desire to help put unemployed Americans to work?

The new facilities, and the jobs that accompany them, clearly stem from negotiated "restraints" on Japanese auto exports to the United States and the evidence of strong congressional support for a domestic content requirement.

From the consumer standpoint, the competition of built-in-America foreign cars is all to the good. And the General Motors decision to make a multi-billion dollar investment in a high-tech small car production competitive with the Japanese subcompacts represents the way the free enterprise system is supposed to work.

Despite the encouraging signs, it is much too soon to proclaim victory in the battle to keep a healthy, job-producing and competitive auto industry in the United States. The Japanese commitment to U.S. production is still at little more than token levels.

A start has been made, and the process should be accelerated. The way to sell more cars in the United States is to build them here. That goes for Honda and Chrysler alike.

## Prisoners




**Washington Window**

# Millions remain hungry in Reagan's 'recovery'

**By Press Associates, Inc.**

"The need for emergency food aid seems a bottomless pit. Increased resources in late fall of '83 and winter of '84 let us feed a greater number of people, but we could detect no decrease in the need. How can you estimate how much of a hole you have filled, when you cannot find the bottom?"

This expression of frustration from a volunteer with an emergency food pantry in Kensington, Calif., is one of many received by the Food Research & Action Center during its survey on hunger in America.

FRAC surveyed nearly 300 private emergency feeding programs in 36 states to "reconcile two seemingly contradictory sets of realities."

On the one hand, inflation is down and "economic recovery" is being heralded by the Reagan Administration. On the other hand, the number of Americans living at or below the poverty line is at an all-time high of 35.3 million persons, with another 12 million near the poverty level. Yet, only 46 percent of eligible households are aided by the federal food stamp program, whose funding was not substantially increased last year.

### Only fiction

In "Bitter Harvest: A Status Report on the Need for Emergency Food Assistance in America," FRAC reports that for "many persons in cities and rural areas of this country, the economic recovery is a fiction, not a reality."

Between 1983 and 1984, the average number of households served by the feeding program surveyed increased 20.4 percent. In 1983, 151,262 households were served each month, compared to 182,128 households in 1984.

Comments from people working in the feeding programs reflect anguish at too few resources to meet the demand for food:

- From Elsa Young of the Mount Saint Helping Hand program in Snoqualmie, Wash.: "We don't have all the vegetables and protein that we need, but we have been able to help senior citizens and single people. Where we fall short is in helping families of 6 or 8 where there are small children and growing youth."

- From Sister Carole Tybicke of the Franciscan Center in Baltimore: "Our 15 years of existence and our extensive statistics prove that the plight of the poor, hungry and homeless is ever on the rise, despite reports of the 'economic recovery' we are supposedly experiencing."

### Social Darwinism

- From Father Donald Knapp of Grace Episcopal Church in Allentown, Pa.: "We can't meet the real need these people have for jobs and income increases. The elderly poor just can't make it. There is a despair about food aid help. We can't agree with the social Darwinism of this Administration."

- From Jo Call, executive director of the Rutherford County Emergency Food Bank in Murfreesboro, Tenn. "We assisted 865 families during 1980 and 5,734 in 1983. Someone surely is not better off than four years ago."

- From Betty Stouffer of the Heights Emergency Food Center in Cleveland: ". . . We are well aware that a 3-4 day supply of food doesn't fully meet the needs of our clients. In the last year, a large number of our clients (up to 60 percent) have run out of unemployment and are now on welfare. They are unable to find work and are very discouraged."

During the election campaign, stories highlighting the economic recovery served the Reagan Administration well by drawing attention away from the poor and millions of unemployed.

Now that the election is over, the FRAC survey underlines the nation's responsibility to remember those who have been left out.

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Auto Workers at Grand Tubes celebrate victory in a long-fought battle.

# *UAW's victory in rural Alabama a case study in value of unionism*

Haleyville, Ala. — Workers at an auto parts plant here are celebrating their victory over a corporate Goliath that tried to cheat them out of wages and benefits.

The victory had its price, though. Because of delays by the Reagan-appointed majority on the National Labor Relations Board, it took nearly three years to bring the company to justice.

The battle took place here in rural Alabama where Formed Tubes, a manufacturer of exhaust pipes, tail pipes and headers, had been lured by tax breaks and special financial incentives.

In the early 1960s, Formed Tubes' parent company, Armada Corp., in Detroit decided to shift much of its production from its flagship plant in Sturgis, Mich., to Alabama. One of the main reasons was to escape its UAW contracts.

The move swelled the town's workforce to more than 400, as Formed Tubes became Haleyville's biggest employer.

The company successfully resisted several attempts to organize the plant. But in the early 1970s, workers began to notice some disquieting changes. New management at Armada, headquartered some 600 miles away in Detroit, suddenly took away the annual bonuses that had been the practice. And favoritism emerged as layoffs were instituted.

In 1977, the Haleyville workers voted 171-80 for UAW representation. A first contract, negotiated the following year, resulted in a $1.75 hourly pay hike, 14 paid holidays and better insurance.

### Contract extension

Within two years, the company began to complain that it was in financial difficulties. The union agreed to a year's contract extension in which there would be no raises or benefit improvements. But it ruled out further concessions.

In September 1981, management started making threats and told the union that if no new contract were reached, it would simply cut wages to $3.35 an hour with no benefits. UAW International Rep. Don Cromer spoke for the workers—members of Local 2045—when he said, "After we'd worked all year without raises, the union had no choice but to turn it down." The workers did just that, voting 109-1 to strike if the company did not improve its offer.

But management had something else up its sleeve—the old trick of creating an "alter ego" by pretending to close down and go out of business only to reopen under a new name at the same place with the same management.

Workers at Formed Tubes had their suspicions aroused when a mail room employee found a printed letterhead with the name Grand Tubes on it. A day before the union struck, Formed Tubes declared bankruptcy and Grand Tubes took over. While management kept its jobs, Formed Tubes workers were out in the cold.

The "new" company advertised for new employees at lower wages. The company refused to recognize the UAW and formed an "employees association" to "bargain" a new agreement.

The UAW members renewed their strike commitment, set up picket lines, and dug in for a long fight.

Lawson Raper, then president of Local 2045, recalled that townspeople at first were skeptical.

### Strike benefits

"Everybody thought we were just plain looney," he said. "They 'knew' we were going to lose. But we kept up our our spirits by meeting once a week, and we got regular strike benefits from the international union in Detroit. Now, of course, folks tell us they're glad we won."

During the long winter of 1981-82 while the picketing went on in Haleyville, the union filed unfair labor practice charges with the NLRB, accusing the company of creating an "alter ego," failing to bargain in good faith, refusing to reinstate workers or to pay contracted health insurance premiums, and other violations of the federal labor law.

Nearly 18 months later, after a series of management delaying tactics, an NLRB administrative law judge ruled that the company had indeed violated the law.

"There is no doubt that Formed Tubes was nothing but a puppet on the Armada string," the ALJ said. "Armada's control over the labor relations (of Formed Tubes and Grand Tubes) was and is as complete as its managerial control over their financial, sales, and production activities."

The NLRB judge also ordered the company to reinstate the strikers, make them whole for lost income, reinstate payment of health insurance premiums, and guarantee the pension plan. The UAW was to be recognized, and negotiations resumed.

But Armada, leaning on the loopholes in the law, was able to stall another year by filing an appeal with the NLRB.

If workers had not stood together as strongly as they did, the case might still be before the board. But the company, which had been caught red-handed (minutes of corporate meetings exposed the bankruptcy scheme), realized it might lose its case, even before a Reagan board. Early last summer, it contacted the union about negotiating a settlement.

"They saw that we were determined, that we weren't just going to walk away, and that they'd better do something," Cromer said. The company finally reached terms with the union, agreeing to reinstate the strikers, remove scabs, extend the Formed Tubes contract two years, grant workers a 12-percent wage boost over that period, and make up other losses.

UAW Regional Director George Smith stressed that the victory once again showed the importance of a union to workers.

"Here is a group of workers in a small parts plant who, because of their union affiliation, had the power of over a million members throughout the country behind them," Smith said.

"The union supplied weekly strike benefits, paid health insurance premiums, and pursued the case vigorously before the NLRB.

"In exchange for their monthly dues of two hours' pay, the workers got back support and representation and direct benefits worth that many times over."

# Reagan ducks on pledge to guard benefits

President Reagan sent a clear signal that he would not object if Congress eliminates next year's cost-of-living adjustment in social security benefits in order to hold down the federal deficit. But he acknowledged at a news conference that social security payments to retired and disabled workers are not a cause of the federal deficit.

In fact, as Reagan noted, the social security system is currently running at a surplus with the payroll tax on workers and employers bringing in revenue that exceeds the amount paid out in benefits.

The surplus stays in the social security trust fund. Reagan observed that "if social security spending were reduced, you could not take that money saved and use it to fund some other program."

The President hedged, however, when asked about his election campaign promise not to tamper with social security benefits, including the cost-of-living adjustment.

"Well, I never specifically mentioned that," Reagan began his answer. He said if "an overwhelming bipartisan majority of Congress" wanted to freeze social security payments, "I would have to look at that situation."

### Taxes, defense

Reagan was adamant, however, that taxes should not be raised and the defense budget should not be frozen at present levels.

The Administration's apparent inability to come up with a politically feasible and realistic script for reduction of the budget deficit during the President's second term has led Senate Republicans to take the initiative in shaping their own budget plan. The goal, Majority Leader Bob Dole (R-Kan.) has said, is to have it in shape before Reagan sends his budget to Congress in early February.

Such a tactic would normally be a device of a party in opposition, since it would appear to be a repudiation of the President and his Administration. But at least some White House officials have welcomed the approach, seeing it as a way of getting Reagan off the hook on his campaign statements.

# Post-recession jobless rate throws doubt on recovery

The nation's jobless rate, at 7.2 percent in December, "is a matter of continuing concern," the AFL-CIO stressed, as 15 million Americans remained either unemployed or underemployed.

The Bureau of Labor Statistics reported 8.2 million workers were without any kind of job last month, 1.3 million others were too discouraged to seek work, and another 5.6 million were unable to find more than part-time employment.

"Unemployment is still at worse than recession levels for black Americans, whose unemployment rate is 15 percent," Federation Research Director Rudy Oswald observed.

"Following the 1975 recession, a concerned America was able to lower the unemployment rate to 5.6 percent. Unfortunately, there is no outlook for lower unemployment in 1985 since such concern is lacking."

Last month's jobless rate, up a tenth of a percent from November, would have been 13 percent if part-time and so-called discouraged workers were counted, the Full Employment Action Council pointed out. The council, which represents labor, the elderly and other groups, also charged that the recovery has bypassed young people and hard-hit communities.

Since World War II, the nation has gone through several recessions, including 1954, 1961 and 1971, when the unemployment rate never got as high as 7.2 percent—which today is defined as recovery.

Following the 1975 recession, the Carter Administration took steps to drive down unemployment to 5.6 percent by 1979 through public service employment.

While the jobless rate is now down from 8.2 percent in December 1983, "unemployment remains a particularly serious problem for blacks and Hispanics," Oswald said. Also, there are still regions of the country where joblessness remains higher than the national average.

Among the largest states, Michigan still has double-digit unemployment, at 10.5 percent, and severe problems exist in Ohio, where the rate is 9.1 percent, and in Illinois, where it is 8.9 percent.

Oswald said the outlook for 1985 is for little change or improvement in current unemployment levels.

The government's report showed the volatile teenage jobless rate went up to 18.8 percent from 17.8 percent in November. Other major work force categories showed little or no change.

BLS, which reports on discouraged workers quarterly, said their number increased 92,000 during the last three months of 1984 to 1,303,000. The number had been edging downward over the past two years from a recession high of 1.8 million in the fourth quarter of 1982.

Among industries, employment gains were posted last month in the auto industry, 25,000 jobs, and construction, 55,000 jobs. December employment gains were also posted in food processing, apparel, fabricated metals, and stone, clay and glass products.

# 13.8 million children living in poverty

Figures compiled by the Congressional Budget Office show that more than 22 percent of all children 17 or younger lived in poverty in 1983.

CBO's preliminary study on poverty based on census data, found that 25 percent of all pre-school-age children and 21 percent of all children ages 6 to 17 lived in households with family incomes below the government's official poverty line of $10,178 for a family of four. The number of poor children was 13.8 million, or two-fifths of all the nation's poor.

That makes children the largest poverty group in the country, compared to poverty rates of 12.4 percent for adults 65 or younger, and 14.1 percent for the elderly for the same year.

While noting that poverty rates were higher among minority children and those in families headed by women, the CBO analysis pointed out that the increase in child poverty cannot be blamed solely on the rise in the number of households supported only by women. A big share of the blame should be laid to "the severe back-to-back recessions of 1980 and 1981-82, the rapid inflation of 1979-1980 and reductions in income-maintenance programs," the analysis said.

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VOL. 30, NO. 3
SATURDAY
JANUARY 19, 1985

MEMO FROM COPE
PAGE 8



## Apartheid protest

Handcuffed Auto Workers President Owen Bieber is led to a police van after being arrested along with 16 other protesters in continuing demonstrations at the South African embassy in Washington. Addressing a crowd of several hundred, Bieber reaffirmed labor's stance against apartheid and recalled the words of Martin Luther King, Jr., that "injustice anywhere is injustice everywhere." The Jan. 15 protest marked the birthday of King.

# Labor pledges fight to block tampering with social security

**By David L. Perlman**

Labor will strongly oppose any effort by Congress or the Reagan Administration to tamper with cost-of-living adjustments to social security benefits, AFL-CIO President Lane Kirkland warned.

Senate Republicans are currently shaping a package of spending cuts to hold down the federal budget deficit—and a one-year freeze on social security payments is expected to be high on the list. President Reagan has already signaled his willingness to forget a campaign pledge to leave the social security COLA intact if Congress should "insist" on a freeze.

The argument that a deferment of the cost-of-living provision is needed to deal with the deficit just won't wash, Kirkland said.

Social security is a self-sustaining program financed by payroll taxes on workers and employers. It currently takes in more than it pays out in benefits, Kirkland noted. Without the social security income surplus, the federal budget deficit would be even greater.

Social security did not cause the deficit and won't make it worse, Kirkland stressed. "It should not be tampered with to meet problems it didn't cause."

Retired and disabled workers lost a half-year's COLA as part of the compromise Congress enacted in 1983 to shore up the system's future financing. Kirkland, who was a member of the bipartisan commission that drew up the compromise, charged that it would be a clear breach of faith on the part of Congress if social security recipients were further penalized.

### A continuing cost

The sacrifice they made then through postponement of the effective date of the annual cost-of-living increase from July to January of each year "continues to cost them some benefits" and will do so on into the future, Kirkland pointed out. Social security's COLA merely preserves the purchasing power of "very modest benefits," averaging below $450 a month for single beneficiaries and $776 for couples.

Congress should honor the 1983 compact, Kirkland urged.

"The causes of the deficit—the massive tax cut and the Administration's unwillingness to face the costs of the military budget—should be addressed in seeking to tame the deficit," he insisted.

A one-year delay in the COLA would push an additional million older Americans below the poverty line, the National Council of Senior Citizens charged.

The council's executive director, William R. Hutton, termed it "mind-boggling that the President or Congress would even consider such a harsh and unfair plan." If necessary, he said, senior citizens will "take to the streets in protest."

In Congress, there were no signs that President Reagan will be confronted with the demand from "an overwhelming bipartisan majority" that he said might persuade him to go along with a social security freeze.

### Helping hand

House Majority Leader Jim Wright (Tex.) said in a television interview that Democrats will "help" President Reagan keep his campaign promise by opposing a COLA freeze.

Earlier, House Republican Leader Robert H. Michel (Ill.) appeared to throw cold water on Senate proposals for a social security freeze—at least without a stronger signal from Reagan. Michel said congressional Republicans "have to honor" the President's statement that a freeze on social security would be off-limits.

In an interview with the Dallas Morn-

**Continued on Page 5**

# Court upholds labor role on local hospital boards

Elkins, W.Va.—A West Virginia law requiring public and non-profit hospitals to include representatives of organized labor on their boards of directors has been upheld by a federal court here.

The U.S. District Court for Northern West Virginia ruled that the law adopted by the state legislature as a hospital cost-containment measure is constitutional and that its provisions requiring labor representation are not pre-empted by federal labor law.

The measure requires that as of July 1, 1985, at least 40 percent of each board of directors of non-profit and local government hospitals in the state must consist of "consumer representatives" drawn from small business, organized labor, the elderly, and persons who earn less than the national median income. It also calls for "special consideration" to be given women, minorities and handicapped persons for the board appointments.

The district court rejected the contention of the American Hospital Association that the law restricted the hospital's rights. The opinion by Judge William M. Kidd stressed that the participation of citizens on the boards of tax-supported hospitals has a "rational relationship" to the goal of controlling health care costs in the state.

The court also turned aside the association's argument that the presence of labor representatives on the boards would amount to a conflict of interest under the Taft-Hartley Act.

Judge Kidd pointed out that the state legislature passed the law with the specific goal of curbing health care costs in West Virginia by giving consumers more say in hospital decision-making.

Such citizen participation makes sense when the hospitals get tax breaks or subsidies out of the public purse, the court held.

### Direct connection

"Local government hospitals receive their appropriations from political subdivisions of the state. Non-profit hospitals receive a favorable tax status which is clearly a benefit," and there is a direct connection between hospital operations and board policy decisions that affect the quality and cost of services, the court pointed out.

The presence of consumer representatives on the boards is intended to allow the citizen "a greater input into the overall operation of hospitals and ultimately to result in closer scrutiny of financial op-

**Continued on Page 6**

# Power shift adds to OMB control over regulations

President Reagan's decision to give the Office of Management & Budget broad, new powers over regulations contemplated by federal agencies opens the way to further interference in the regulatory process that could hurt workers, the AFL-CIO warned.

"Under the existing Executive Order, OMB has abused its responsibilities and interfered enough in the process, seeking to substitute its political judgment for the technical and scientific judgments of agencies such as the Occupational Safety & Health Administration and the Environmental Protection Agency," the federation's job safety director, Margaret Seminario, said.

"Until now, it has had authority only to review proposed and final rules," she said. "Now, under this new proposal, it appears that it will be involved in all aspects of the regulatory process."

**Continued on Page 4**

# *Inaugural recruits find unions pay*

A youthful troupe of singers and dancers recruited to perform without pay at President Reagan's inaugural learned a profitable lesson on the value of a union contract.

At the insistence of the performing arts unions, each of them will be paid at least $375 for taking part in the entertainment at the presidential balls on the night of the inauguration.

The union representative who negotiated the payment—John Hall, assistant executive secretary of the Variety Artists (AGVA)—broke the news to some 90 performers who were rehearsing at an army installation near Washington.

Like it or not, he told them, they were going to get paychecks in addition to expense money. The amount, which took into account rehearsal time, was set at three times the AGVA minimum for a club engagement.

They gave him a standing ovation.

### Audition call

Most of the performers had answered a New York audition call that sought non-union singers and dancers — "clean-cut, all-American types," the advertisement in a theatrical trade paper specified.

The Presidential Inaugural Committee said it was embarrassed by the advertisement's insistence on non-union performers —a category that would have excluded President Reagan. And whatever the "all-American" requirement meant, the committee insisted that it wasn't intended to discourage any minorities from auditioning. Besides, the $12 million it raised for inauguration expenses wasn't enough to pay "volunteers."

The performing unions, backed by the AFL-CIO, didn't see it that way at all. They called on President Reagan to overrule his inaugural committee and let it be known that they were prepared to escalate their protests if necessary.

**Continued on Page 6**

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# *ICFTU a global champion of workers' rights*

Brussels—Thirty-five years ago, the International Confederation of Free Trade Unions was created as a counterforce to the communist-dominated World Federation of Trade Unions that had formed four years earlier.

At its inaugural congress in London, 53 countries from the free world were represented. Today, the Brussels-based ICFTU—to which the AFL-CIO belongs—represents some 83 million workers in 138 labor organizations in 95 countries.

The confederation's executive board will meet in Washington Apr. 11-12. It last met in the United States in 1955.

Marking the organization's 35th anniversary at last month's executive board meeting, ICFTU Gen. Sec. John Vanderveken observed that representation in terms of both workers and geographical area is continually expanding.

Describing the wide range of the ICFTU's activities, Vanderveken stressed its chief goals of promoting the interests of working people through the world and fighting for social justice.



ICFTU Gen. Sec. John Vanderveken confers with Lane Kirkland.

### Country affiliates

The ICFTU is a confederation of national trade union centers, each of which groups together the trade unions of a particular country. Britain, for instance, is represented by the British Trades Union Congress; the United States by the AFL-CIO; West Germany by the DGB; Canada by the Canadian Labor Congress, and Norway by the LO.

In some countries, more than one center may be affiliated, as in the case of Sweden, India, Italy and Finland. In special cases, individual trade unions are accepted as members.

Membership is open to bona fide trade unions that are independent of any outside dominating influence, derive their authority only from their members, have a freely and democratically elected leadership, and voluntarily accept the aims and constitution of the ICFTU.

Among its other goals, the ICFTU works for rising living standards, peace, full employment, and social security for workers. It also seeks to promote international understanding, disarmament, and an end to oppression and dictatorship anywhere. Also, it opposes discrimination of any kind and helps workers everywhere to organize themselves and bargain collectively with their employers.

The ICFTU gives expression to workers' international solidarity, organizes and directs campaigns on issues such as respect of trade union and workers' rights, and fights against racial segregation.

It has devoted much of its efforts recently to supporting and defending the Solidarity union movement in Poland, human and trade union rights in military dictatorships such as Chile, and the efforts of black unions to overcome apartheid in South Africa.

The ICFTU has close relations with the International Labor Organization in Geneva, and makes effective use of the specialized United Nations agency to focus attention and criticism on any violations of workers' rights by governments.

The list of countries that the ICFTU has denounced in recent years within the ILO and in other international bodies includes Bolivia, Chile, Argentina, Brazil, the Soviet Union, South Africa, Guatemala, Turkey and Poland, to name a few.

The ICFTU congress, the organization's highest authority, is held every four years and all affiliated organizations are represented within it. The congress elects an executive board made up of 37 members from various regions of the world and a general secretary.

The executive board, whose members include AFL-CIO President Lane Kirkland, meets at least twice a year and directs the organization's activities between congresses. Besides the Brussels headquarters, the ICFTU has permanent offices in Geneva and New York and special representatives based in other parts of the world.

To carry out its aims, particularly that of giving active assistance to developing trade unions in the Third World, the ICFTU works through regional organizations, which enjoy a wide measure of automony.

These include the Asian & Pacific Regional Organization (APRO), headquartered in New Delhi; the African Regional Organization (AFRO), which works out of Monrovia, Liberia, and the Inter-American Organization of Workers (ORIT), headquartered in Mexico City.

### European section

There is also the European Trade Union Confederation (ETUC), founded in 1973 by 13 ICFTU affiliates, whose constitution embraces the ICFTU's principles.

Developing nations receive a great deal of attention from the ICFTU as it works to close the gap between rich and poor and improve the position of all workers. Convinced that the best chance of achieving this goal is by setting up and strengthening labor unions in these countries, the ICFTU cooperates with trade unions and organizations of rural workers to help them determine for themselves the best way of handling their problems.

# Modest gains mark 1984 state legislature sessions

There were more gains than setbacks to labor's agenda in state legislative sessions last year, but only a few states broke significant new ground.

Among the pluses were a commitment by Hawaii to the concept of comparable worth in state jobs and a willingness by Maine to set a state minimum wage that is higher than federal law requires.

Continuing a trend, a number of states enacted or improved "right-to-know" laws requiring employers to inform workers of chemical hazards they may encounter. Some of the laws require periodic worker training in the handling of toxic substances.

Seventeen states followed the lead of Congress in establishing the birthday of Martin Luther King, Jr., as a national holiday.

Here are highlights of state legislative actions reported in the Bureau of National Affairs publication, Daily Labor Report. A later survey will cover changes in unemployment insurance and worker compensation laws.

**Alaska**—The "monetary terms" of any collective bargaining agreement between a state agency and a union representing its employees must be approved by the legislature.

**Arizona**—The state law requiring payment of prevailing wages on public works contracts was repealed through a ballot initiative.

**California**—When a party to a collective bargaining agreement goes to court to compel arbitration, the state court must award attorney fees to the party that prevails unless the other side has raised "substantial and credible" issues of law or fact.

California's Division of Occupational Safety & Health was required to investigate any accident causing death or serious injury or illness to an employee. The previous law dealt only with accidents involving five or more workers. Employers were prohibited from retaliating against workers reporting noncompliance with federal or state laws or regulations.

**Colorado**—Employers were barred from firing a worker because his or her wages have been garnisheed. Public works contracts involving the state Dept. of Highways or the chief engineer were removed from coverage of the prevailing wage law.

**Connecticut**—Firefighters employed by a private non-profit corporation under contract with a municipality, such as a volunteer firefighter organization, were removed from coverage of a state law requiring overtime pay after 40 hours a week. The agency investigating complaints of discrimination may now compel written answers under oath to interrogatories relating to a complaint. Minors under 18 can work at supermarkets until midnight if there is no school the next day, but cannot be compelled to work later than 10 p.m.

**Delaware**—Employers must provide annual training for workers handling hazardous chemicals. Discrimination on the basis of marital status was included in the category of prohibited employment practices.

**Florida**—Workers have the right to obtain from employers a material safety data sheet for any toxic chemicals present in the workplace.

**Georgia**—The state minimum wage was raised to $3.25 an hour.

**Hawaii**—A new temporary commission on comparable worth will evaluate state government job classification and pay systems, examine sex-based job and pay differentials in state and local government employment, and recommend a job evaluation system to implement the concept of comparable worth. The state law setting a 70-year maximum age for public employment was repealed.

**Illinois**—An employer of five or more workers not related to him must allow an employee to inspect any personnel documents used to determine qualifications for promotion or disciplinary action. An employer who stops making payments to a health insurance plan must notify workers facing loss of coverage.

**Iowa**—A hazardous chemicals right-to-know law was enacted. Public-sector whistle-blowers were protected from retaliation. Employers were required to grant an unpaid leave of absence to a worker elected to any public office.

**Kentucky**—Employers were prohibited from deducting breakage, shortages, losses due to customers' bad checks or unpaid bills from a worker's paycheck.

**Maine**—The state minimum wage will be raised to $3.45 an hour on Jan. 1, 1986, and to $3.65 a year later. A hazardous chemical right-to-know law was enacted.

**Maryland**—A right-to-know law was enacted.

**Masachusetts**—A new law encourages but does not require employers to notify workers 90 days prior to closing a plant and to continue paying health insurance premiums for an additional 90 days.

**Nebraska**—The state's ban on sex discrimination was broadened to cover discrimination based on pregnancy or related medical conditions.

**New York**—Age can no longer be a bar to an apprenticeship program. A pregnant employee cannot be compelled to take a leave of absence unless she is unable to perform her job because of her pregnancy. An employer can't fire a worker who reports a violation of law or regulation.

**Pennsylvania**—A hazardous substance right-to-know law was enacted.

**Rhode Island**—Public sector whistleblowers were protected from retaliation.

**Washington**—A right-to-know law was approved. Employers are barred from firing or disciplining workers whose wages are garnished.

# A. F. Grospiron dies at 68, president of OCAW 14 years

Thermopolis, Wyo. — Alvin F. Grospiron, retired president of the Oil, Chemical & Atomic Workers and a former vice president of the AFL-CIO, died here on Jan. 10. He was 68.

Grospiron headed OCAW from 1965 to 1979. Earlier, he served for three years as secretary-treasurer of the union,

AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said in a message to Grospiron's wife Etta Mae that his "four decades of devoted service to America's working people enriched a great many lives, not only among OCAW members, but far beyond their ranks. His contributions to the work of the AFL-CIO Executive Council, especially his leadership of its committee on occupational safety and health in the years leading up to passage of the OSHA Act, will never be forgotten."



A. F. Grospiron

Grospiron's union career began when he was a refinery worker in Texas City, Tex. By 1942 he had helped organize employees at Amoco Chemicals Corp. and American Oil Co. For 20 years Grospiron served in various offices of Local 4-449, including 11 years as secretary-treasurer.

After becoming OCAW president, he established a national oil bargaining program under which more than 400 contracts between the union and the oil industry were negotiated simultaneously.

Grospiron served on the AFL-CIO Executive Council from 1969 to 1979, on the Industrial Union Dept.'s executive council, the executive committee of the United Way of America, on the board of directors of the United Nations Association of the U.S.A., and on an advisory committee to the Federal Power Commission.

Funeral services were held Jan. 14 in Lakewood, Colo., with burial at Crown Hill Cemetery. Survivors include his wife and two children.

# Labor conference builds support in fight to end South African apartheid

By James M. Shevis

The free world movement to help black South Africans in their struggle for basic human rights with a government still practicing racial segregation gathered momentum in the wake of a landmark Washington conference on the problems of oppressed black workers.

American labor and civil rights leaders participating in the three-day meeting pledged not to give in, give out, nor give up until victory was achieved.

The conference, attended also by leaders and members of eight black South African unions, served primarily as a forum for the exchange of ideas and views on bringing an end to the apartheid policy of South Africa's government, and was eminently successful in producing an outpouring of opinions.

As the windup speaker, AFL-CIO Sec.-Treas. Thomas R. Donhaue told the visiting black unionists that they could judge for themselves the interests, motives and desires of American unionists, better understand their allies in the United States, and get a "better sense of the kinship we feel."

## National focus

"We have learned from you, and we have been able to add to the effort to focus this movement's and this nation's attention on the inhumanity called apartheid," Donahue said.

While the conference examined the social, economic and political problems facing South Africa's black unions, another major accomplishment was to acquaint leaders of these unions with their American counterparts and establish direct links.

At a press conference and afterward near the South African embassy, several recently released black trade union leaders arrested during anti-apartheid demonstrations in South Africa praised the AFL-CIO and the American people for helping their cause.

"We want the American people to know we appreciate what you're doing," said Gen.-Sec. Phiroshaw Camay of the Council of Unions of South Africa. He attributed his release and that of other union leaders from solitary confinement to the apartheid protests by U.S. demonstrators.

"Americans are serious now," said John Gomomo, another recently released South African union leader.

"It shows you feel that as long as South Africans are not free, you are not free," said Gomomo, vice president of the National Auto & Allied Workers.

## Basic concept

The concept of freedom of association and the interdependency of people around the world was emphasized repeatedly in panel discussions and workshops.

"As members of the only human race there is, as citizens of the only world in which humans live, we have — each of us — a responsibility toward every other human being and especially toward those who, like ourselves, work for a living and who want, like ourselves, a better world and a more rewarding life for all," Donahue said.

"That is why," he said, "as Lane Kirkland said the other day, we accept the responsibility to do what we can to see that workers are not kicked around—no matter how, no matter where, no matter by whom."

The Rev. Walter Fauntroy, the District of Columbia's delegate to Congress, earlier told a luncheon audience, "We won't be free here or anywhere in the world until we free South Africa."

The Reagan Administration's policy of "constructive engagement" in South Africa came in for sharp criticism by both black South African union leaders and U.S. unionists, who in its place urged severe action unless white South Africa adequately responds to the expectations of the black masses.

## Proposed disinvestment

Gen. Sec. John Vanderveken of the International Confederation of Free Trade Unions reported that major ICFTU affiliates, particularly those in industrialized countries with strong economic ties to South Africa, have submitted concrete proposals for "selective disinvestment," possibly isolating a selected number of multinational companies whose investment in South Africa is seen to support the apartheid system.

"The input of the American trade union movement can be decisive to the success of our strategy," he said.

While selective disinvestment is regarded in some quarters as controversial, it is backed among some black trade unions in South Africa. CUSA's Camay said that his organization decided to pursue a policy of selective disinvestment after "a long and agonizing debate."

## Targeting businesses

"We decided that those agencies and companies which were particularly propping up the apartheid regime, either through computer technology, through defense technology and other technology that assists South Africa . . . we decided to target those specific companies," Camay said.

Vanderveken said that the ICFTU is now updating its list of some 3,000 companies with financial interests in South Africa, and is focusing on firms that would make the best targets for an international coorinated union effort.

**CORRECTION**

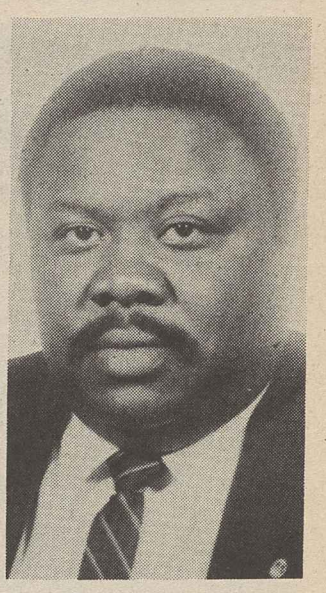
A picture caption in the Jan. 12 issue of the AFL-CIO News incorrectly said that President Claude Ramsay of the Mississippi AFL-CIO and President Marvin L. Williams of the Washington State AFL-CIO were "retiring." Neither Ramsay nor Williams has announced plans to retire. They were the longest-tenured officers attending a conference for state federations at the George Meany Center for Labor Studies.



Frank Emig



Susan Dunlop



Green Lewis

# Frank Emig named to head Community Services Dept.

AFL-CIO President Lane Kirkland has appointed Frank W. Emig as director of the federation's Dept. of Community Services, filling the vacancy created by the death of Walter G. Davis last Dec. 18.

The appointment was one of three announced by Kirkland. He named Green P. Lewis to succeed Emig as an assistant director of the Dept. of Organization & Field Services and appointed Susan Dunlop as an assistant to the AFL-CIO president.

Lewis, assistant director of AFL-CIO Region V headquartered in Atlanta, has been coordinator of the Houston Organizing Project for the past year. Dunlop currently is an assistant editor of the AFL-CIO News.

Emig, 58, joined the AFL-CIO staff in 1963 as coordinator of field services for the Dept. of Community Services. A native of New Orleans, he had been a member of the Electrical Workers since 1946 and held a number of offices in IBEW Local 130. He was community services chairman of the New Orleans AFL-CIO from 1956 to 1960 when he became Red Cross labor liaison representative for the Southwest.

Since 1970, Emig has been responsible for coordinating activities and communications between the national AFL-CIO and the state and local central bodies, providing direct assistance in efforts to prevent punitive state legislation. He is a member of the President's Committee on Employment of the Handicapped and has helped coordinate its relations with the federation and its central bodies.

Emig holds a bachelor of arts degree in labor-management relations from Antioch University, which he earned through the degree program of the George Meany Center for Labor Studies.

## Former organizer

Lewis, 39, is a member of the Service Employees and served as an organizer for SEIU Local 579-3017 in Atlanta before joining the AFL-CIO staff in 1969. He became assistant regional director in March 1984, shortly after his appointment as coordinator of the Houston project.

Before he began his union career, Lewis taught at the junior high school level and coached football in Columbus, Ga. He holds a bachelor of arts degree from Fort Valley (Ga.) State College.

Dunlop, 37, has been an assistant editor of the AFL-CIO News since 1980. Before that she was assistant to the secretary-treasurer of the Union Label & Service Trades Dept., editing the department's publication, Labeletter, and directing advertising and publicity for the annual Union-Industries Show. Previously, she worked in advertising and public relations for several New York firms and a Washington-based trade association.

A member of the Newspaper Guild, she was secretary-treasurer of the International Labor Press Association, 1981-83. A native of New York City, she graduated from Wagner College, Staten Island, N.Y.

# *Economy's year-end signs mixed*

By Susan Dunlop

The nation's economic outlook stayed on its uneasy seesaw as 1984 ended with some economic indicators that tilt toward modest economic growth offset by sagging consumer confidence and declining retail sales at Christmastime.

The Conference Board, a non-profit economic research firm, reported a dramatic plunge in its consumer confidence index, a measure of how well consumers expect the economy to do in the near future.

The index slumped from 96.8 points in November 1984 to 85.6 points in December, the lowest mark in more than a year. The figures are calculated against a 1969-70 base year set at 100.

The Conference Board pointed out that while a one-month indicator is not conclusive, the depth of the decline is "disconcerting," and the research firm said its experience has shown that drops of this size have often been the forerunners of economic trouble ahead.

The firm also surveyed consumers' plans for making major purchases in the next six months and found that that yardstick dropped to 95.9 percent last December compared to 102.7 percent of its base year in November.

The survey found that only 26.6 percent of the consumers were confident that their incomes would be higher over the next six months, compared to 30.9 percent who were optimistic in November.

A slump in auto sales and a disappointing Christmas sales season for retailers contributed to a downturn of one-tenth of a percent in retail sales in December, according to the Commerce Dept. The drop —the first in four months—came on the heels of a 2-percent increase in November.

Auto sales fell 2.3 percent, also down for the first time in four months, after a 2.1-percent gain in November.

Purchases of non-durable goods were up four-tenths of 1 percent in December, while sales of durable goods dropped nine-tenths of 1 percent. All figures are seasonally adjusted.

The Federal Reserve Board reported that factory output edged up six-tenths of 1 percent in December, after an increase of four-tenths of 1 percent in November, after decreases in October and September.

## Industrial capacity

The Fed also reported that American industry was working at 81.9 percent of capacity in December, up slightly from November but still below the 82.7 percent peak for last year reached in July.

While the utilization rate was up for some industries, such as auto manufacturing—operating at 81.5 percent of capacity by the end of last month—it was down elsewhere, as in steel where the last reported utilization rate in November was only 64.9 percent.

Overall in the fourth quarter, operating rates were down in both non-durable and durable goods manufacturing from the third quarter.

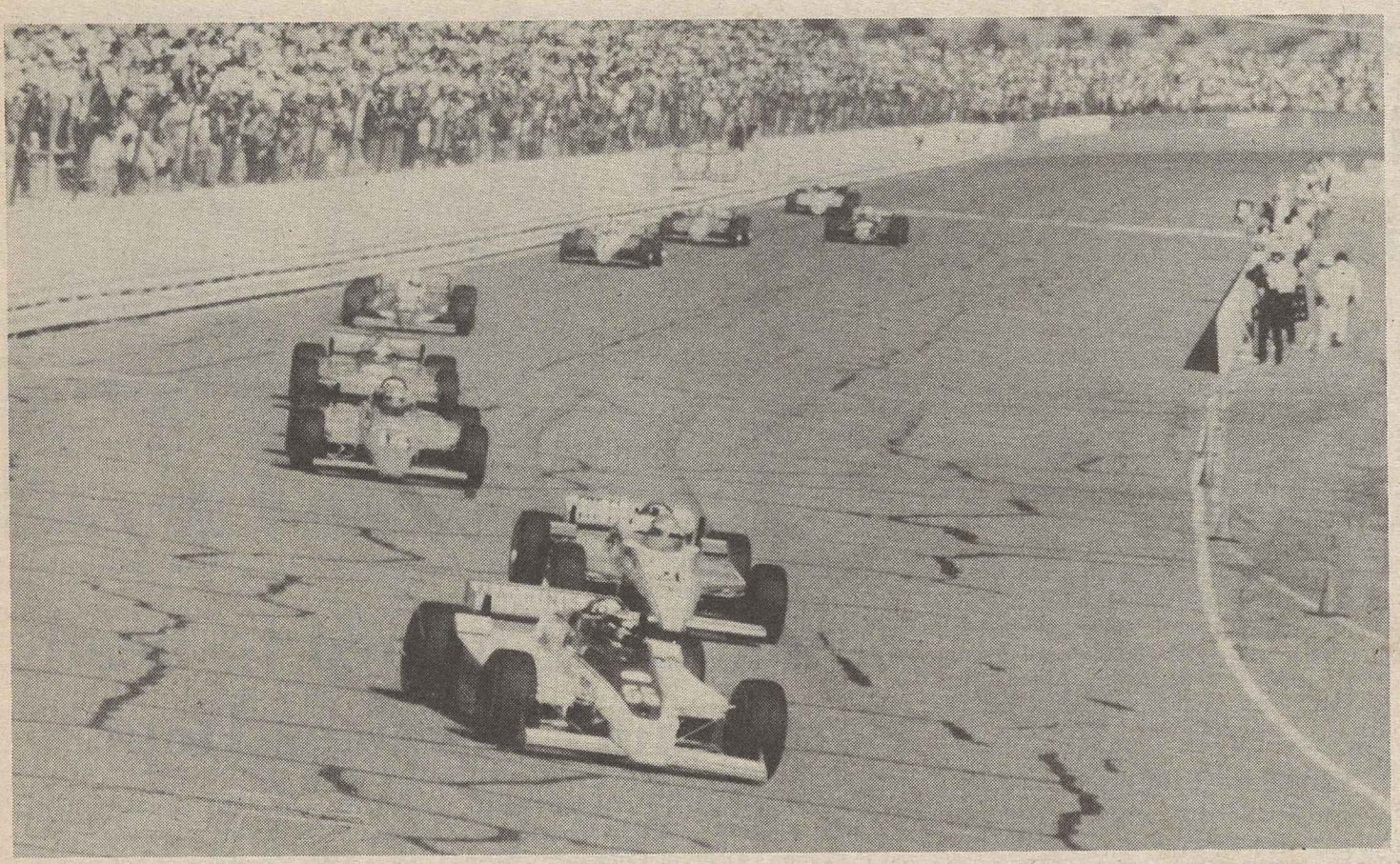
In a separate development, Citibank, the nation's largest bank, lowered its prime lending rate to 10½ percent from 10¾ percent, and Chase Manhattan and Manufacturers Hanover Trust have followed suit. The move brings the prime rate to its lowest level since August 1983.

Meanwhile, the Labor Dept.'s producer price index for December showed a significant leveling off in finished goods, intermediate goods and crude materials.

The index for finished goods edged up one-tenth of 1 percent last month following a five-tenths of 1 percent increase in November. Producer prices for intermediate goods dropped two-tenths of 1 percent, reversing the November rise of three-tenths of 1 percent, and prices for crude goods fell four-tenths of 1 percent in contrast to a 2-percent rise in November. The figures are seasonally adjusted.

AFL-CIO Research Director Rudy Oswald said the figures indicate that the chance of a new surge of inflation in 1985 is unlikely.

Housing starts inched up 2.1 percent in December, the Commerce Dept. said, an increase that came on the heels of a modest 1.2 percent gain in November. The upward movement, which reverses a dip in starts in the second half of last year, was helped by declining mortage rates.



Josele Garza wheels the Machinists' Indy-class racer at Montreal's Sanair Speedway.

# IAM's Indy car winning races, good will

The Machinists' high-powered, four-wheel public relations campaign is paying off—with public awareness and cash purses.

The "campaign" is Car No. 55, a sleek Indy-car racer, which is entering its sixth season of competition in the Championship Auto Racing Team circuit. Winnings in 1984 were the highest yet, with a total purse of $293,026 from 17 races.

The bigger dividend, however, was the nationwide media exposure, which included television, radio and newspaper interviews, articles and public appearances. The IAM said that coverage boosted the value of its race-car program by another $1.5 to $2 million.

Additional exposure included public appearances of the racing team's show cars in parades, car shows and shopping malls, accompanied by driver Josele Garza.

The IAM Racing Team finished 13th overall in CART's 1984 season, ahead of such racing greats as Gordon Johncock, Pancho Carter, Johnny Rutherford, A. J. Foyt and Kevin Cogan. No. 55 finished 10th in the Indianapolis 500 and fourth in the Molson Indy at Montreal, seventh at the Portland 200 and in the Provimi Veal 200 at Elkhart Lake, Wis., and eighth in the Stroh's 150 at Phoenix.

The IAM Racing Team schedule for 1985 is: Phoenix on Mar. 31, Long Beach, Calif., on Apr. 14, Indianapolis on May 26, Milwaukee on June 2, Portland on June 16, Meadowlands, N.J., on June 30, Cleveland on July 7, Brooklyn, Mich., on July 22, Elkhart Lake, Wis., on Aug. 4, Pocono, Pa., on Aug. 18, Lexington, Ohio, on Sept. 1, St. Pie, Que., on Sept. 8, Brooklyn, Mich., on Sept. 22, Laguna Seca, Calif., on Oct. 6 and Miami on Oct. 27.

# *3 airline unions ask court to bar Eastern pay cut*

The Machinists, Pilots and Transport Workers filed separate suits against Eastern Airlines seeking court injunctions prohibiting the company from extending past the Jan. 1 expiration date the 18-22 percent pay cuts the company negotiated last year.

The IAM and TWU filed their suits in U.S. District Court in Miami, while the Pilots sought an injunction from the U.S. District Court in New York. The IAM's case will be heard in court on Jan. 21.

Eastern's board of directors voted on Jan. 4 to back company President Frank Borman's decision to extend the severe wage cuts while ending the stock investment program. Under the agreements, the company saved $370 million in 1984, while its employees received 25 percent of the company's common stock and representation on the board of directors.

### Monthly cost

Borman said the concessions would remain in effect "until the negotiating process is exhausted." The pay cuts are costing Eastern's workers $22 million a month.

Charles Bryan, head of IAM District 100 at Eastern and a member of Eastern's board of directors, told other directors that extending the wage concessions would be in violation of the agreements with the unions. Bryan pointed out that for his members the 18 percent pay cut means a loss of $110 to $140 per week.

Bryan said the IAM has a letter of agreement with the company specifying that the pay cuts could not be continued beyond Jan. 1, and that the agreement exempts it from the status quo provisions of the Railway Labor Act. The company contends that the "status quo" of pay cuts must continue under the RLA.

The ALPA's suit charges that the company unilaterally reopened the contract by continuing with the pay cuts. ALPA's contract with Eastern will expire June 1.

# ITU leader urges members to support merger accord

Colorado Springs, Colo.—Typographical Union President Robert S. McMichen has urged ITU members to support merger with the Graphic Communications Union to strengthen unity of printing trades workers and assure continuation of the ITU's democratic traditions.

McMichen's letter to all ITU chapels—the shops and printing establishments where the union's members work—outlined the chief features of the merger agreement. The ITU executive council was scheduled to vote on the pact at a Jan. 18 meeting and the GCIU board is to consider it the week of Feb. 4.

If approved, as the presidents of both unions anticipate, it will be submitted to the membership of each organization for ratification. The ITU has close to 45,000 active members in addition to retirees. The GCIU, itself the product of three printing trades mergers, has more than 200,000.

As outlined by McMichen, the agreement provides:

- The ITU will choose the executive vice president, financial secretary and three vice presidents of the merged union and elect seven rank-and-file members to the executive board.
- The per capita payment to the union will be $7.90 a month, substantially less than the present rate of 1.5 percent of earnings.
- The merged union's headquarters will be in the GCIU building in Washington, but the future of the Union Printers Home in Colorado Springs is assured and the home will remain in total ITU control.
- The ITU's mortuary fund will continue for retirees and working members alike.
- Retirees will retain membership and voting rights on matters affecting their economics. A bilingual Canadian office is guaranteed.
- The international union will continue affiliation with the AFL-CIO and the Canadian Labor Congress.
- Local union mergers will be encouraged but not required.
- Strike benefits are $100 a week and can go higher for ITU members if they choose to raise the per capita.
- The ITU's general laws will be retained in the new union.

McMichen said the constitutions and bylaws of the two unions are almost identical and a merger would assure ITU members "full voice and participation in a strong, democratically run union of printing industry workers."

It would assure that printing industry concerns will "be addressed only by union members elected from within our trade, not appointed by outsiders," he stressed.

# Kirkland raps scheme to tax fringe benefits

AFL-CIO President Lane Kirkland reiterated the federation's firm opposition to any scheme to tax the value of workers' fringe benefits.

Any revenue attained by taxing fringe benefits would be taken out of the pockets of America's workers, Kirkland warned in a statement. The Treasury Dept. recently proposed to tax workers on the value of such employer-financed benefits as health insurance, pensions and day care.

The likely result of taxing employer contributions for such plans would be a reduction of essential coverage by workers and their families, Kirkland said. Pensions are now taxed when they are received.

The Treasury Dept. estimates grossly exaggerate the potential revenue to be gained by taxing fringe benefits, Kirkland said. The department also wants to tax fully benefits of unemployed workers and those injured or disabled on their jobs.

Congress has turned down most past proposals for taxing fringe benefits but the new effort is being pushed as a tax simplification plan.

Kirkland stressed that the AFL-CIO supports measures to reduce the deficit and make the tax code more efficient and productive. "But merely to increase the taxes of working people and jeopardize benefits and protections that are essential to their welfare and that of their families would be unjust and unfair," he said.

### Fulfilling needs

Fringe benefits now being considered for taxation fulfill major, demonstrable needs and social purposes, Kirkland said.

"Health insurance, pensions, day care, education programs, and prepaid legal plans have evolved over many years to meet specific national social goals and have been subjected to the checks and balances of the legislative process, as well as the collective bargaining process.

"These benefits are not frivolous 'perks' or gimmicks to shelter income, generate phony losses or otherwise reduce the taxes of a privileged few," he said. "Most are long-standing economic buttresses of the tax code and are widely distributed among America's working population."

Kirkland noted that workers' compensation benefits already are inadequate to meet the needs of disabled workers and their families. Taxation of these benefits would widen the gap between payment levels and income levels required to maintain decent living standards, he observed.

Unemployment insurance benefits provide essential income and, above certain thresholds, are already taxed, he added.

A parallel statement also voicing strong opposition to taxing fringe benefits was issued the same day by President Richard Lesher of the U.S. Chamber of Commerce.

# OMB gains power to thwart proposed federal regulations

**Continued from Page 1**

In an Executive Order issued earlier this month, Reagan authorized OMB to screen other agencies' regulatory proposals before they are formally drafted or announced publicly.

Under the new procedures, the heads of most agencies will be required early each year to submit for OMB review a list of the regulations they plan to propose in the coming year.

Reagan's order said the list must include an explanation of "how each new activity will carry out the regulatory policies of this Administration. . . . The overview should specifically discuss the significant regulatory actions of the agency to revise or rescind existing rules."

"No governmental agency should have that kind of authority to usurp the power given to Congress," said William Pollard, director of the AFL-CIO Dept. of Civil Rights. "It amounts to OMB and the Executive Branch of the government nullifying the actions passed by Congress in a number of instances. OMB, by withholding funds, could cut out legislative programs that Congress intended to keep in force."

Bert Seidman, director of the federation's Dept. of Occupational Safety, Health & Social Security, said that workers depend on regulations for their health care, safety, pension protection and other rights and benefits. Because they have not been sufficiently protected in the past, regulations have been drawn up. Now, these may be jeopardized, he said.

All Cabinet agencies except the Defense Dept. would be subject to the new policy, as well as EPA, Equal Employment Opportunity Commission, General Services Administration, Office of Personnel Management, and Veterans Administration.

The new order does not apply to independent regulatory commissions such as the Federal Trade Commission and the Federal Communications Commission.

## Worker rights strengthened

# Court rulings bolster Ohio's job injury law

Columbus, Ohio — The Ohio AFL-CIO is applauding two state supreme court decisions that will enable more injured workers to collect benefits and strengthen their right to sue a negligent employer.

The state federation stressed that both decisions, handed down in late December, "will make it possible for generations of injured workers to receive workers' compensation benefits they would not be eligible for had not the court ruled the way it did."

In both landmark cases, the Ohio AFL-CIO was the prime mover.

In a decision that re-interprets the definition of a work-related injury, the state high court found that a worker may be entitled to benefits for a job-related injury that develops over a period of time rather than from a sudden accident.

The Ohio AFL-CIO pointed out that this ruling finally recognizes "the long-term wear and tear on a worker's body" as a compensable injury.

The court reversed what the State AFL-CIO termed 50 years of "anti-worker decisions handed down by conservative Republican courts" as it concluded that "the judicial distinction between gradual and abrupt causation is unjustified."

### Key factor

Whether an injury is sudden or progressive is irrelevant, the court said, as long as its cause is related to the injured worker's job.

That position recognizes what the labor movement has contended is the clear intent of the Ohio workers' compensation law, the state federation asserted.

A series of state supreme court decisions handed down since the 1930s sharply limited eligibility for compensation. And, the state federation said, even after the legislature amended the law to make it clear that all injuries were to be compensable, "just as predictably" the courts continued to deny benefits for injuries that developed over a long term.

The State AFL-CIO warned that the new interpretation of workers' rights will still require taking a number of cases through the courts, but for the first time a high court decision has "correctly interpreted" the law itself and the intent of the legislature in passing it.

### Wider latitude

The second decision upholds a worker's right to sue an employer over injuries that result from negligence by broadening the definition of intentional wrong-doing.

The court held that not only do workers have the right to sue employers in cases where there was a specific intent by the company to do harm, but also where it can be shown employers know that conditions on the job have a "substantial certainty" of causing injuries.

The decision defines the legal concept of an intentional tort — an intentional wrongful act that can be taken to court for action—as it applies to work-related injuries.

"Where an employer acts despite his knowledge that the risk is appreciable, his conduct is negligent," the court said. But the decision asserted that a "specific intent to injure" is not "an essential element" of intentional torts in instances where an employer "proceeds despite a perceived threat of harm to others which is substantially certain, not merely likely to occur. It is the element of substantial certainty which disinguishes a merely negligent act from intentionally tortious conduct."

The court also ruled that a worker injured as a result of an intentional tort may sue the employer for damages even while receiving workers' compensation benefits. In addition, an employer held liable for an injury through an intentional tort is not entitled to reduce the award by the amount of benefits the injured employee is receiving.



Employees of Beverly Enterprises Hamlet Inc. nursing home in Cleveland celebrate SEIU election victory, one of a string of union successes.

# Unions scoring 70% victories in Beverly organizing surge

The Food & Commercial Workers and the Service Employees are on an organizing roll at the Beverly Enterprises nursing home chain as their joint efforts rang up a 70-percent victory rate in representation elections.

Since the campaign was officially kicked off in January 1983, elections have been held in 83 Beverly-owned facilities where the SEIU or UFCW have conducted organizing drives. Fifty-seven resulted in union victories.

The SEIU will be on the ballot in early February at two facilities in Michigan, and the UFCW is participating in active organizing programs in Pennsylvania that are expected to go to elections soon.

Both unions are also working with employee committees in other nursing homes and convalescent centers owned by Beverly in a number of other states. The company is the nation's largest nursing home chain, and it employs well over 50,000 people.

The UFCW and the SEIU targeted the nationwide chain for organizing beginning in 1982 with the assistance of the AFL-CIO Food & Allied Service Trades Dept.

When the campaign got underway, the SEIU already represented workers in 21 Beverly homes in four states, and the UFCW represented workers at 10 homes in five states.

### Work-patient link

UFCW President William H. Wynn said as the joint drive opened that a key focus would be on the link between good working conditions and the quality of patient care.

"Quality care is sometimes difficult in the best of circumstances," Wynn said, "but in the worst of circumstances, when discouraged workers are understaffed, underequipped and underpaid, it is impossible."

And SEIU President John J. Sweeney pointed out that "deteriorating quality of care, a lengthening record of citations for deficiencies after inspections, harsh and unfair working conditions, and a record of spending on patient care that is far below the industry average while administrative expenses are far above average" all help prompt Beverly employees to turn to the unions as they sought to organize.

An initial part of the Beverly organizing effort was a "corporate campaign" to publicize the company's activities and financial dealings.

The campaign got a boost in March 1984, when—in the face of the union's highly successful organizing efforts—Beverly management agreed to a letter of understanding intended to improve relations and smooth the way for union representation and bargaining by Beverly employees. Under the terms, the unions called a halt to the corporate campaign, and the company agreed to recognize the right of employees to choose union representation, and to provide a "non-coercive atmosphere" during election campaigns.

# *California Fed contests 'labor' appointee*

Sacramento, Calif. — The California AFL-CIO has won the right to sue a member of the state's occupational safety and health appeals board on the grounds that his qualifications do not meet the provisions of the law that require a representative of labor to sit on the board.

State AFL-CIO Executive Sec.-Treas. John Henning was granted the right to sue board member Alfred H. Song by Atty. Gen. John K. Van de Kamp. California law allows the attorney general to go to court—or grant other parties permission to do so—to prevent a "continued exercise of authority unlawfully asserted."

The state federation charges that Song, a former state legislator and former member of the state's Agricultural Labor Relations Board, does not meet the requirement that one seat on the state's three-member OSHA appeals panel must go to a representative "from the field of labor." Seats are also specifically assigned to a representative from management and to a public member.

In granting permission for the suit, the attorney general wrote that the legislation did not intend "that the occupant of that office simply have education, knowledge and experience in the field of labor law or labor relations. The legislature intended a closer connection to 'labor.' "

Song served in the California assembly and senate as a Democrat representing a Los Angeles district. He was later appointed by former Gov. Jerry Brown to the state's agricultural labor board. After resigning from the ALRB in June 1984, he was immediately named to the OSHA panel by Gov. George Deukmejian (R). The state senate has yet to confirm the appointment.

The State AFL-CIO went to court to block the move, but when the state supreme court finally ruled that it would not act, the federation appealed to the attorney general's office.

Song is not a member of any labor organization and has never been an employee representative or officer of any labor organization.

Henning stressed that the federation is obligated to challenge the appointment, because its approval "would invalidate provisions in state law requiring the presence of union members on boards and commissions and like government bodies."

## Mediation Board study cites settlement record

In the 50 years since its establishment, 97 percent of the disputes brought before the National Mediation Board have been resolved without a work stoppage, according to a historical analysis of the agency.

The study by Charles L. Rehmus, dean of Cornell University's School of Industrial & Labor Relations, notes that since 1934, the board has resolved 5,500 representation cases, "largely without incident," and it has mediated nearly 12,000 cases in the rail and airline industries. Fewer than 350 of those cases resulted in a strike or lockout.

The report, titled the National Mediation Board at Fifty, points out that the agency was created by Congress under an amendment to the 1926 Railway Labor Act to help insure the right of rail and airline employees to organize. The board's function is also to aid in settling labor-management disputes and to resolve grievances to avert interruption of vital transportation services.

Copies of the report are available from the Research Dept., National Mediation Board, Washington, D.C. 20573.

# Kirkland vows fight on social security

**Continued from Page 1**

ing News, Reagan again suggested that his arm could easily be twisted in favor of a social security freeze as long as he didn't have to take the political heat by himself.

"If Congress en masse came down on the side of, say, reducing or holding off on the COLA, the cost-of-living increase, you know, what would I be able to do about that?" the President asked.

Reagan, however, made clear his adamant opposition to seeking large-scale budget savings by holding down military spending.

That would really be off limits, he made clear.

Senate Majority Leader Robert J. Dole (Kan.) predicted that Republican committee chairmen would agree to an across-the-board budget freeze that would include abandonment of the 1986 COLA for social security recipients. But there were indications that Senate Republicans were having more difficulty than they had anticipated in shaping a GOP consensus on a budget that would be unveiled even before the President sent his proposals to Congress.

Ironically, a law scheduled to take effect in 1992 would have eliminated the push to cut social security outlays to make the budget deficit appear smaller.

After that date, social security income and outgo will no longer be considered part of the unified federal budget and thus will not be a factor in budget deficits or surpluses.

The social security trust funds were brought into the budget in 1969, in part at least because the surplus the system normally runs would brighen the budget picture in the public's perception.

## Ray Alvarez dies at 55, Ohio-Ky. COPE director

West Chester, Ohio—Raymond S. Alvarez, the AFL-CIO COPE director for Ohio and Kentucky, died of cancer at his home here Jan. 11. He was 55.

Alvarez, who came out of the Steelworkers, had been on the COPE staff since 1969. He also was an organizer for the Clothing Workers in 1961 and 1962, and held a number of elected offices with USWA Local 2598.

Services were held Jan. 17 at Holy Infant Church in Bethlehem, Pa. Survivors include his wife Helen and three children.

# HMOs cleared for Medicare prepayments

Health maintenance organizations (HMOs) will be eligible for preset monthly payments for members covered by Medicare under new government regulations that take effect Feb. 1.

Until now, HMOs have had to bill Medicare for each covered service provided members over 65 and be reimbursed on a fee-for-service basis.

The new regulations, based on legislation passed in 1982, will allow HMOs to seek certification for prepayment at a monthly amount based on 95 percent of the average cost of covered health services for area residents covered by Medicare.

AFL-CIO Social Security Director Bert Seidman welcomed the move as encouraging the comprehensive, prepaid health care concept represented by HMOs. He noted that HMOs typically provide services not covered by Medicare, such as reimbursement for prescription drugs, eye examinations and sometimes dental care.

### Future participants

The regulations, more than two years in the making, do not require HMOs to choose prepayment from Medicare, and at least initially, there is not likely to be any change in the cost of participating in an HMO plan. But the long-range effect may be to increase the number of Medicare-eligible persons choosing HMO membership. At present, they make up an estimated 400,000 of the more than 31 million persons covered by Medicare.

Persons over 65 pay the monthly premium, currently $15.50, for Medicare Part B coverage of doctor services, whether or not they are in an HMO.

Those who are in HMOs normally pay a special cut-rate premium because Medicare will reimburse the plan for part of their health care costs. The new regulations change the way the plan is reimbursed but do not directly affect the individual's cost. To be eligible for the per capita reimbursement, the HMO must provide physician services and hospitalization benefits at least equal to Medicare.

## Frank Mongelli dies, ran Seafarers' school

Valley Lee, Md.—Frank A. Mongelli, 73, vice president of the Seafarers' Harry Lundeberg School of Seamanship in Piney Point, Md., died at his home here Jan. 11 after a heart attack.

Mongelli, who was in charge of the school's day-by-day operations, joined the Seafarers in 1940 when he put to sea with the Merchant Marine. He came ashore in 1957 to work as an SIU official in developing a training program for seamen. He had been at Piney Point since 1967.



AFL-CIO Vice President Joyce Miller addresses HRDI conference in St. Louis.

# HRDI spearheads program to open jobs for handicapped

St. Louis—Labor's commitment to job opportunities for handicapped persons and disabled workers was stressed at a conference held here to further cooperation by unions, employers and public rehabilitation agencies.

The program, which drew some 130 participants, was cosponsored by the AFL-CIO's Human Resources Development Institute. HRDI opened a handicapped placement center in St. Louis last year, and HRDI Executive Director Mike Arnold said the program has gotten off to a good start.

HRDI's handicapped placement effort is "only a small contribution to an enormous employment problem," Arnold told the conference. But "it demonstrates what can be done through a cooperative effort," he emphasized.

AFL-CIO Vice President Joyce D. Miller, who heads the labor subcommittee of the President's Committee on Employment of the Handicapped, noted the importance of the union role in the workplace.

Shop stewards, she said, have been at the front line of establishing the rights of handicapped workers to job equality and arranging simple job accommodations that have significantly eased the workplace problems of handicapped members. Miller urged greater attention to such issues as job retention for middle-aged workers who bocem disabled on the job.

Marcia Cline, coordinator of the Missouri AFL-CIO's displaced worker program, told a workshop session of the efforts of an Electrical Workers shop steward in helping to develop factory job opportunities for deaf workers and encouraging workers in the shop to learn sign language that enabled them to communicate with the new workers.

Missouri's newly elected lieutenant governor, Harriett Woods, spoke of the need to secure changes in laws and regulations that impede the rehabilitation of the handicapped.

President Robert Kelley of the Greater St. Louis Labor Council and Executive Sec. Richard Manyia of the St. Louis Building & Construction Trades Council were speakers at the conference, along with employer representatives and officials of the state's Vocational Rehabilitation Division and Bureau for the Blind, which were among the program's co-sponsors.

The HRDI is planning other area conferences as part of a national effort to strengthen the working relationship among labor, business and vocational rehabilitation agencies, Arnold said.

# Court backs hospital board role for labor

**Continued from Page 1**

erations," and it squares with the state's goal of controlling costs, Judge Kidd said.

The court also upheld those parts of the law that require specific percentages of citizen representation, declaring that "there is no reason to believe that the average consumer is not qualified to serve as a hospital board member." The final decision as to who will be appointed to the board still rests with the hospital, with the proviso that the four categories in the law must be observed, the court said.

In the parts of the case involving board membership by union members, Judge Kidd rejected the argument that this would upset the "balance of power" between labor and management and pose a conflict of interests between the board member's duties as a hospital trustee and as a union representative.

The law does not require that labor representatives on hospital boards be "affiliated with the hospital's bargaining unit," the court noted. And even in such cases, conflict of interest can be avoided because, like any other board member, "a labor representative sitting on a board of directors should stand aside when issues are taken up regarding his labor organization."

Judge Kidd continued that any board member—whether a labor member or business representative—"should withdraw from the decision-making process" wherever a conflict of interest or breach of fiduciary responsibility could occur.

# *West German conglomerate assailed for union-busting*

Union-busting on an international scale has the Oil, Chemical & Atomic Workers hopping mad.

OCAW's battle is with a West German multinational conglomerate, BASF A.G., that operates a chemical plant in Geismar, La., where 400 workers were locked out seven months ago.

A union delegation led by OCAW Vice President Calvin Moore has already met with German embassy officials in Washington to air the dispute. And next month, OCAW representatives plan to meet with government officials in Bonn and enlist the support of West German trade unions in the battle with BASF.

The lockout at the BASF-Wyandotte plant came just as OCAW's contract was to expire. The union charged that management insisted on stripping workers of seniority rights, forcing massive wage rollbacks, and other demands that would effectively destroy the agreement.

BASF has set out to systematically destroy unions, Moore charged. BASF already has engineered the decertification of two Steelworkers locals, a Teamsters unit, destroyed an OCAW bargaining unit in Wyandotte, Mich., and forced an inferior contract on an OCAW local in Huntington, W.Va.

"And it has become a notorious labor law violator in the process," Moore added. "Administrative law judges for the National Labor Relations Board have found BASF guilty in four separate cases of violating the National Labor Relations Act, but this company refuses to comply with the law."

Although OCAW has altered its position in an effort to get a fair settlement, the company refuses to negotiate. Instead, BASF has called for further cuts in bargaining unit positions while using contract employees.

Its insistence on substantial wage cutbacks at Geismar in the face of soaring profits for the firm makes it clear that the sompany simply wants to break the union, OCAW said.

"It is certainly not because BASF is suffering financially that they have placed these unreasonable demands on the table," the union stressed. After near-record profits in 1983, pre-tax profits for the first nine months of 1984 rose 76 percent from a year earlier.

Based on last year's performance, BASF expects to boost its capital investments in the United States by 40 percent this year, expanding the production capacity of its Geismar facility in the process.



## Focus on labor history

Some 40 social studies teachers from Maryland, Virginia and the District of Columbia explore efforts to expand and improve the teaching of labor history, economics and current issues affecting unions. Program director Harold D. Snell, far left, a Railway & Airline Clerks retiree and a former State Dept. labor attache, conducts one of the four workshops at the George Meany Center for Labor Studies. The program was developed by the National Capital Area Trade Union Retirees, a group of former officers and staff members of the AFL-CIO and its affiliates.

# Union pay cheers inaugural troupe

**Continued from Page 1**

The breakthrough came through the Actors & Artistes, the parent federation of the entertainment unions headed by AFL-CIO Vice President Frederick O'Neal.

After determining that AGVA was the union with jurisdiction over the performers involved, O'Neal dispatched Hall and attorney Gerald Dunbar to Washington to negotiate with the Robert Jani organization, which is producing all of the inaugural entertainment.

The union position was that performers taking part in any event for which a fee was charged should be paid at least the prevailing rate. It did not seek to represent amateur college choruses made up of full-time students. But it insisted on payment for participation in the inaugural ball entertainment being put together by Jani and his staff.

The inaugural ball agreement does not require the performers recruited to be members of AGVA. But the producers will make the standard payment into the union's pension and welfare fund in addition to paying performers the rate negotiated by the union.

Performers will also get the expense money promised them and will be free to take part as volunteers in any inaugural event which is free to the public.

O'Neal said the many expressions of public and trade union support for the position of the performer unions contributed significantly to the settlement.

# EDITORIALS

## A New Beginning

ON INAUGURATION DAY, we are all winners because of our nation's sturdy democratic heritage. No military coup determines our head of state. Our elections are no kin to the obscene charade of democracy that takes place in one-party states where no effective opposition is tolerated.

As he takes the oath of office anew, President Reagan will know as his predecessors can testify, the trade union movement will not be found wanting in any crisis confronting our nation.

Quite obviously, respect for the President and the election process does not diminish the AFL-CIO's disagreement with policies it considers wrong or actions it regards as harmful to workers and the nation.

In the past, unions have criticized the actions of public officials labor helped elect and praised positions taken by persons who lacked union endorsement. That is as it should be.

SCHOLASTIC UPDATE magazine, which goes to high school students, asked 10 prominent Americans what they expected of President Reagan in his second term. This is what AFL-CIO President Lane Kirkland wrote in the magazine's Jan. 18 issue:

"We ask no more of any President than that he faithfully execute the laws of the United States, preserve, protect and defend the Constitution, and administer the nation's laws fairly and impartially.

"For four years, many laws have been enforced selectively, to say the least. Those guaranteeing the right of workers to join and form unions, those that require employers to provide safe and healthy working conditions, and those designed to protect ordinary people from the power of concentrated wealth have become nearly meaningless. Tax burdens have been shifted strongly from wealthy individuals and corporations to wage and salary earners. Public education, public health and public facilities have been drastically underfunded.

"What we would most like to see in Mr. Reagan's second administration is an effort to breathe life into the Pledge of Allegiance to the Flag so that this country shall become, in truth, 'one nation . . . with liberty and justice for *all*'—including working people, including the young, the old, the sick and the disadvantaged, and not exclusively those who hold the greatest economic and political power."

## A Union of States

THE LEGISLATIVE efforts of the AFL-CIO and of its constituent unions are properly centered on Congress as the principal forum for dealing with national issues.

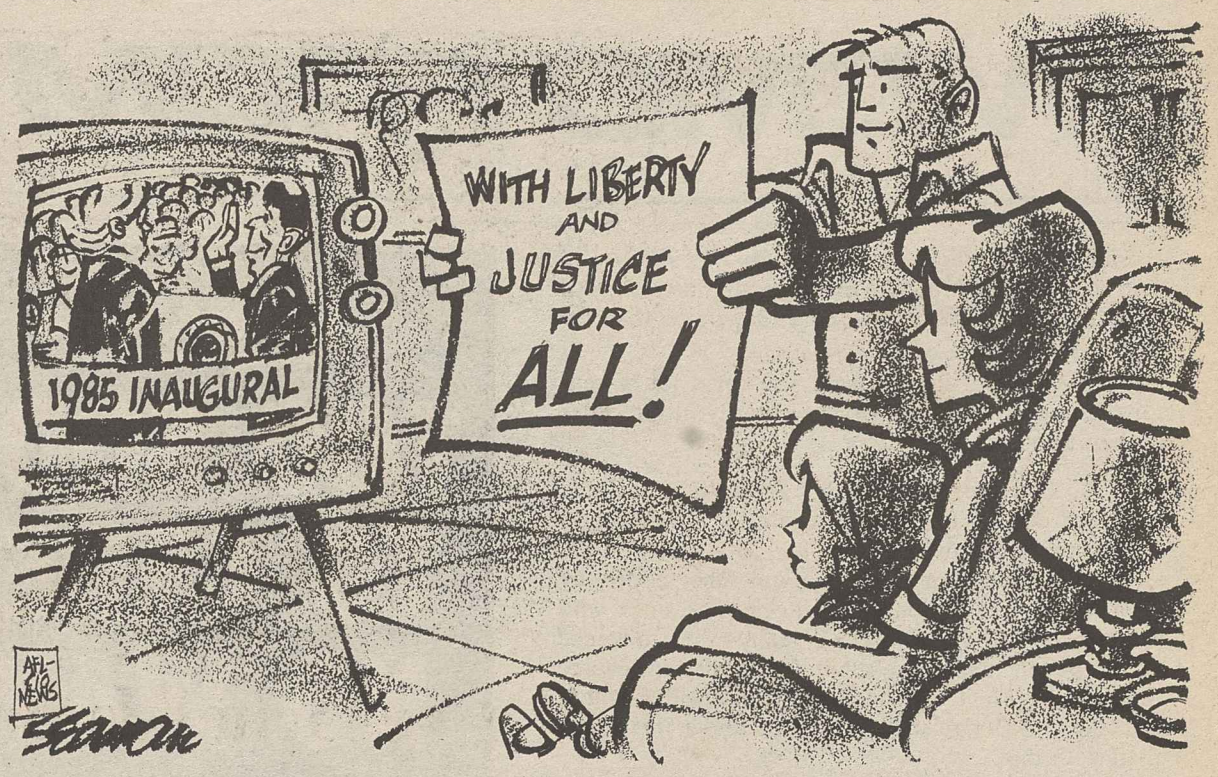
It would be a terrible mistake, however, for any union member to dismiss as minor-league politics the election of state legislators and governors. Especially in this period of frequent gridlock between Congress and the White House, the states often are where the action is.

Sometimes this is brought dramatically into focus.

In Idaho, union members don't need any lectures on the importance of the state legislatures. The union shop would have been outlawed by a "right-to-work" law and the state's prevailing wage law would have been repealed if it had not been for vetoes by Democratic Gov. John Evans. But conservative Republicans gained enough seats in the last election to claim a veto-proof legislature—a claim that is likely to be soon put to the test.

In contrast, there are states with progressive legislatures where labor has been able to remedy some of the deficiencies of Congress. The proliferation of state laws to assure workers the right to full disclosure of the hazardous chemicals they may encounter in their jobs is a direct offshoot of union legislative efforts.

State labor federations are the front line troops in these battles. They need all the support we can give them.




**Washington Window**

# Budget ax aimed again at vital social programs

**By Press Associates, Inc.**

During the 1984 presidential election campaign, Ronald Reagan played down the importance of his record-breaking deficits which continue to flow from the tax and spending policies of his first term.

Economic growth, Reagan insisted, would close the ballooning revenue-spending gap without the need to raise taxes or slow the escalation of military spending. Candidate Reagan refused to reveal any specifics about further domestic spending cuts, aside from pledging not to cut social security benefits.

After the election, the White House's rosy deficit estimates grew above the $200 billion mark. Administration officials and GOP congressional leaders began eyeing drastic spending cuts to curb runaway deficits.

In early December, Reagan proposed to freeze, cut or eliminate more than 100 domestic programs that affect most Americans. Only the Pentagon would be spared from his budget ax.

As with previous Reagan cutbacks, the poor would be hit the hardest, in spite of Reagan's campaign rhetoric about preserving the social "safety net." During congressional hearings last September on the rise of poverty in America, Budget Director David Stockman had promised to recommend no further cuts in programs for the poor.

### Reagan's budget

Most of the Administration's preliminary budget proposals are expected to be in the final budget package Reagan will submit to Congress in February.

The proposed cuts in domestic programs "would be nearly equal in magnitude to all human resources cuts enacted in 1981 and 1982," according to an analysis by the Washington-based Center on Budget & Policy Priorities, a nonpartisan group. These cuts would exceed $63 billion over the next three years, the study said.

Cuts in programs for low-income persons, the center said, would exceed $31 billion during this three-year period. The results would include:

- More than 500,000 low-income pregnant women, infants and children at nutritional risk would have their prescription food supplements terminated by a proposed 17-percent reduction in the WIC program. This program has proven effective in reducing the incidence of low birth weight, the leading cause of infant mortality.

### Housing subsidy cuts

- Some 200,000 low-income families and elderly persons would lose a chance for decent, affordable housing due to further cuts in federally subsidized housing construction. As many as a half-million low-rent housing units now are lost each year because of condominium conversions, rent hikes, decay and abandonment.

- A freeze on adjustments in the food stamp program would mean that food stamps purchase less food. This would "increase the number of poor elderly and poor families with children who run out of food before the end of the month," according to the center.

- Among the low-income programs to be shut down completely are the Jobs Corps; the Work Incentive Program, which helps welfare mothers find jobs; legal services; rural housing programs; and the community services block grant.

Despite Reagan's claim that social security benefits, including cost-of-living adjustments, would be protected, COLAs would not be provided for two million low-income social security recipients. Low-income beneficiaries generally receive Supplementary Security Income (SSI) benefits as well as social security.

Because of the Administration's proposed freeze on COLAs for SSI, low-income elderly and disabled beneficiaries would have their SSI benefits cut by the full amount that their social security benefits increased. Thus, the social security COLA would be cancelled out for the very beneficiaries who need it most—those with low incomes.

AFL-CIO news

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# MEMO FROM COPE

Isn't it a bit ridiculous, in January of 1985, to be worrying over U.S. Senate elections that aren't going to be held until November of 1986, more than 20 months off?

As a matter of fact, it isn't, and for a lot of reasons. Some of these are, not necessarily in the order of their importance:

► 1. It will be the best shot for folks so inclined to usher out of the Senate a cluster of first-term right-wingers narrowly elected in 1980, partly on the strength of lavish expenditures and other efforts by rightist political action committees. The ones who survive the 1986 election will gain more influence in the Senate and more clout for right-wing causes than they presently possess. And they will be more difficult to dislodge with two terms under their belts than with one.

In this group are Jeremiah Denton (Ala.), Matt Mattingly (Ga.), Steve Symms (Idaho), Dan Quayle (Ind.), Charles Grassley (Iowa), John East (N.C.), Don Nickles (Okla.), Robert Kasten (Wis.).

► 2. Another grouping of less ideologically-driven conservatives, also first-termers elected by thin margins in 1980, will seek return to office. If granted a second term, they too will be hard to budge before the turn of the century and will settle into positions of enhanced power in the Senate and the nation.

In the second group are Frank Murkowski (Alaska), Paula Hawkins (Fla.), Warren Rudman (N.H.), Alfonse D'Amato (N.Y.), Slade Gorton (Wash.).

► 3. The arithmetic of 1986 contests provides Democrats a hot opportunity to take numerical control of the Senate, a better one than they'll have for a long time thereafter.

After scoring a net gain of two seats in 1984, Democrats still are on the short end of a 53-47 margin. They'd need a gain of four to take control, but if they can't do better than that from among all the "opportunity" seats, their party is in more trouble than even its loudest Cassandras suspect. After all, 22 Republican seats and only 12 Democratic will be contested in 1986, and 16 of the GOP seats were won by 55 percent or less in 1980.

Control means having the chairs and the majorities on Senate committees and subcommittees and, in effect, having the say on what legislation gets considered and in what form.

► 4. The bottom line is the impact reducing the ranks of conservative and ultra-conservative Senators would have on votes on key issues (see chart). On any issue like job-creating measures, health care, fair trade, tax justice etc., by replacing these incumbents with challengers of a different mind-set you actually pick up two votes. You substract one from the anti column and add one to the pro.

► 5. A substantial Democratic gain at the expense of conservative and ultra-conservative Republicans will take the steam out of the fast-charging right-wing PACs who now think and act like they've got the political world by the tail. Sooner or later, they're going to run out of gas anyway, but to hasten the process would be a substantial public service.

► 6. Since the Senate is stuck with Jesse Helms—re-elected in 1984—for another term, it would be nice to cashier some of his troops and leave him to play out in the far right boondocks with less company and diminished support.

Listed in the chart that follows are two groups of GOP incumbents. The first includes ultra-conservatives who, as senators, or previous to Senate service, have been associated with, and owe their election in large measure to, right-wing PACs. The second includes conservatives not openly aligned with the rightist movement and its PACs.

All are expected to seek a second term. All are measured in the marginal category by the only yardstick presently able to determine marginality, the narrowness of their 1980 victory. Some may be more, others less, vulnerable than the figure suggests.

(Not included in the list is Arizona Sen. Barry Goldwater, who already has announced he will not run for re-election. His Senate seat, too, can be considered marginal. He won by only a few thousand votes in 1980.)

## Senate '86

# TOO SOON TO CARE? NO WAY!

## Some 'Opportunity' Senate Seats...1986

| NAME/STATE | WINNING % '80 | AFL-CIO VOTING RECORD 'RIGHT' | 'WRONG' | % 'WRONG' |
|---|---|---|---|---|
| *Denton (Ala.)* | 50.2 | 5 | 65 | 93 |
| *Mattingly (Ga.)* | 50.9 | 5 | 66 | 93 |
| *Symms (Idaho)* | 49.7 | 2 | 63 | 97 |
| *Quayle (Ind.)* | 53.8 | 7 | 63 | 90 |
| *Grassley (Iowa)* | 53.5 | 8 | 64 | 89 |
| *East (N.C.)* | 50.0 | 2 | 71 | 97 |
| *Nickles (Okla.)* | 53.5 | 2 | 69 | 97 |
| *Kasten (Wis.)* | 50.2 | 10 | 61 | 86 |
| *Murkowski (Alaska)* | 53.7 | 13 | 56 | 81 |
| *Hawkins (Fla.)* | 51.7 | 20 | 47 | 70 |
| *Rudman (N.H.)* | 52.1 | 15 | 55 | 79 |
| *D'Amato (N.Y.)* | 44.9 | 24 | 46 | 66 |
| *Gorton (Wash.)* | 54.2 | 15 | 57 | 79 |

# Keeping a Close Eye on Virginia

Chances are if you don't live in Virginia, you couldn't care less who's running for the Republican nomination for the state's lieutenant-governor.

Maybe *you* don't give a hoot, but the one political contest that will be watched most closely this year by party people, political committee people, observers, commentators and political junkies will be the race for lieutenant governor of Virginia. At least the primary, and then maybe the general.

The reason is that for the first time, a major figure in the "new right" leadership ranks, who had a hand in hundreds of campaigns, is coming out of the closet and openly lusting for elected office. (He made a token run once before, as vice presidential candidate on a third-party ticket in 1976.)

The person is Richard Viguerie, *the* Founding Father of the "new right" (no longer "new" because it's been around a while now.) It was Viguerie who got the idea and built the lists for direct mass mail to identified conservatives and ultra-conservatives and refined the process so it can successfully "prospect" for supporters.

Much has come after Viguerie in the way of rightist PACs and leaders, but he made it all possible. "It all" as of now represents multi-million dollar budgets, effective political action, think tanks, publications and—most telling—significant numbers of members of the U.S. House and Senate, state legislatures and other levels of elected officials indebted to the "new right" for their eminence.

This contest—which would be so obscure in the eyes of the rest of the nation under normal circumstances—will be monitored closely by a lot of interested parties with several questions in mind:

► Will the techniques and technology a "new right" leader has used with such skill in behalf of other candidates and causes succeed in his own campaign?

► Will normally ultra-conservative supporters respond *as voters* to one who has manipulated them as contributors?

► Will someone who's done so much to promote the candidacies of others be effective in promoting his own?

► Will the candidate trim his sails to accommodate the realities of running for office?

► If he runs and wins, will this unleash a flood of other right wing leaders into the electoral process as candidates?

These and other questions will be answered as the campaign progresses. If nothing else, Viguerie is adding some zing to a year in which little is happening in the way of electoral activity.

### For Viguerie, Virginia . . . For Helms, the World

**Now, here's the plan:**

**While Richard Viguerie is taking over Virginia, Jesse Helms will take over CBS.**

**That's right: CBS, the Columbia Broadcasting System.**

**Senator Helms' notion is to persuade right-wingers to buy stock in CBS so they can, in his words, "take control of the network" and "become Dan Rather's boss."**

**This would end all the biased, liberal reporting that Helms frets poisons the minds of Americans and unfairly influences elections. (Has Helms looked at the '84 returns lately?)**

**Recognizing a good publicity ploy when he sees one, Terry Dolan—chief of the National Conservative PAC—jumped on the Helms bandwagon and committed $100,000, with a few strings, to the project.**

**It is described, as most right-wing causes are, as a "national crusade."**

## GOP Big Gainer from '84 New Registrants

Republican candidates benefiitted most from the increase in registered voters in 1984 elections, according to a report by the Committee for the Study of the American Electorate.

The number of registered citizens increased by 12 million over 1980, the report said, though only four million of the newly-registered voters turned out on election day.

These voters went 61-32 for President Reagan and 45-39 for Republican House and Senate candidates. Forty-nine percent consider themselves GOP or leaning GOP, 38 percent Democratic or leaning that way. Biggest gain among new voters for the GOP was in the south, with 55 percent with or leaning toward the GOP.

The survey turned up 53 percent GOP allegiance among new voters in the east, but lesser figures elsewhere—44 in the midwest, 46 in the west.

Despite the substantial increase in enrolled voters, election day turnout was only slightly higher than in the 1980 presidential contest. At 53.3 percent of total eligibles, it was merely a 0.7 percent boost. However, 1984 was the first time participation has increased since it peaked at 62.8 percent in 1960.



Union protesters await arrest after demonstrating at South African embassy against apartheid policies of the Botha government.

AFL-CIO news

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# South African protests add new pressure

**By James M. Shevis**

American labor backed up its pledge of support for embattled black South African trade unionists with a demonstration at the South African embassy that produced the largest number of arrests since protests began there 10 weeks ago.

The Jan. 18 arrests of 87 representatives from 10 AFL-CIO affiliates, federation headquarters, and the staff union of the National Labor Relations Board came on the eve of weekend festivities connected with President Reagan's inauguration to a second term. The demonstration was as much a protest of Reagan's policy of "constructive engagement" toward the South African government as it was a condemnation of Pretoria's racist treatment of black workers.

"I think it's time to let him (Reagan) know that so-called constructive engagement is absolutely destructive of human freedom, and it's time to stop it," Postal Workers President Moe Biller declared at a streetside news conference a block from the embassy.

Constructive engagement is the term the Reagan Administration applies to its relationship with South Africa. It stresses "quiet diplomacy" rather than firm pressure on the South African government to abandon its official policy of race discrimination.

### Increasing pressure

South African black unionists, spearheaded by the Council of Unions of South Africa, along with most of the world's free trade unions, are moving inexorably toward more severe action to persuade Prime Minister Pietr Botha's regime to accord basic human rights to all citizens.

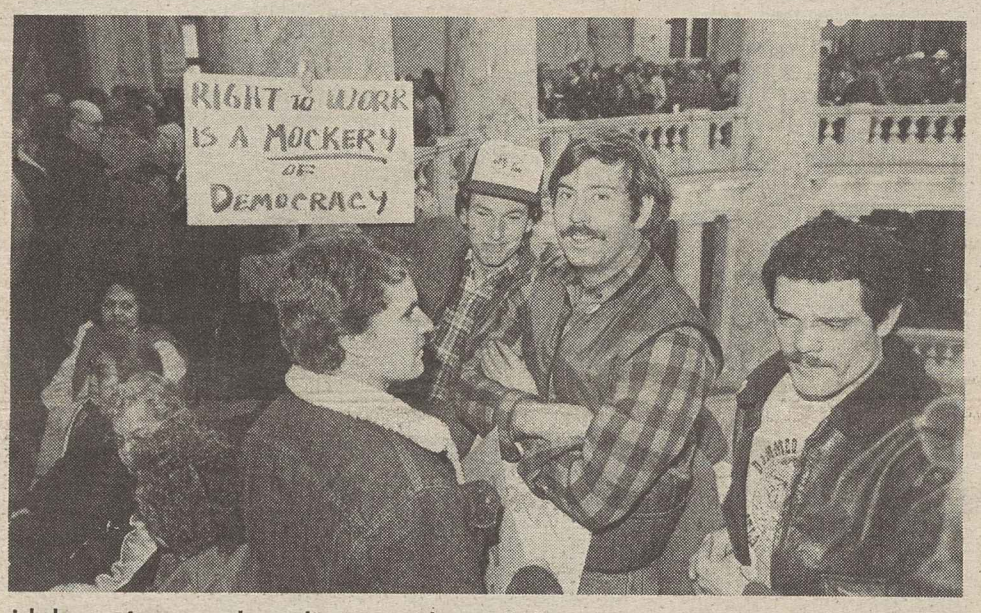
At a three-day meeting in Washington earlier this month, Gen.-Sec. John Vanderveken of the Brussels-based International Confederation of Free Trade Unions said concrete proposals for "selective disinvestment" in South Africa had been put forth by a number of ICFTU affiliates.

The ICFTU executive board is expected to act on these measures at a meeting in Washington, Apr. 11-12, possibly targeting several multinational firms whose operations in South Africa are seen to support the apartheid system.

Kenneth Young, executive assistant to AFL-CIO President Lane Kirkland, told news reporters the federation "will continue to press the Reagan Administration and the corporate world to take more

**Continued on Page 8**

# Union contracts worth $100-a-week advantage




Idaho union members line corridors of the state Capitol, overflowing the committee room where a "right-to-work" bill was being rammed through.

# Idaho GOP steamroller passes union-shop ban

Boise, Ida.—A Republican-dominated legislature passed a "right-to-work" law to make union shops illegal in Idaho and the state's labor movement is counting on a promised veto by Democratic Gov. John Evans to slow the GOP steamroller.

The battle then will be to switch the votes needed to prevent a two-thirds majority of the House and Senate from overriding the veto.

In a similar scenario two years ago, "right-to-work" supporters couldn't override a veto by Evans, and the union-busting bill died. But with their ranks enlarged by November's election and the effects of redistricting, conservative Republicans have made enactment of "right-to-work" a top priority in the new legislature.

After a hastily called committee hearing, at which hundreds of union members were frozen out, the "right-to-work" bill was rushed to passage in the House and rammed through the Senate less than a week later. It passed the House 62-20, with only three Republicans crossing over to join the solid Democratic opposition. The Senate's 28-14 vote was strictly along party lines.

### Hurry-up hearing

The brief House hearing on the legislation was called on less than 24 hours notice, but the Idaho AFL-CIO's alert to unions and central bodies brought more than 600 union members to the Capitol.

At the hearing, State AFL-CIO President Jim Kerns attacked the "right-to-work" proposal as a smokescreen for union-busting but the hurry-up session was devoted largely to hearing proponents of the bill. Its chairman gaveled it to a close after two hours, complaining of "heckling" of the bill's backers by union members.

A principal witness for the bill, Terry McKnight of the Idaho Freedom to Work Committee, asserted that he had once been a union supporter and had such bitter arguments with his father that "we

**Continued on Page 5**

# Survey finds non-union pay one-third less

A union contract was worth more than $100 a week extra to the average worker last year. Full-time wage and salary workers represented by unions got paid an average of one-third more than their non-union counterparts.

That's what the Bureau of Labor Statistics found through the monthly census survey of 60,000 households which provides the basic information on the nation's labor force.

For 1984, the 21.6 percent of the workforce represented by unions were paid an average of $404 a week compared with the $303 average for the non-union workforce.

That's consistent with the 1983 report, the first year of the detailed BLS survey, which showed a $98-a-week differential.

If the value of fringe benefits were included—an area in which unions have been pacesetters—the dollar advantage of union contracts would be even greater.

### Minorities benefit

The 1984 tally also shows that the gap between union and non-union pay is even higher among minorities.

Blacks covered by a union contract averaged $352 a week compared with $236 for those without union protection. Among Hispanics, the union average was $346 compared with $236 for the non-union group.

**Continued on Page 4**

# *Reagan's inaugural address as chilling as frigid weather*

**By David L. Perlman**

President Reagan began his second term with an inaugural address that combined a hard-line conservative philosophy with a warmly sentimental vision of a simpler America in which neighbor looked after neighbor and economic opportunity was unhindered by government restraints.

When shorn of its coating of rhetoric, the presidential message was as chilling as the frigid winds that forced the inaugural ceremonies indoors.

The next four years, by Reagan's script, will see the non-military role of the federal government drastically and permanently reduced.

The poor will be "freed" from dependence on the federal government. An expanding private sector and "support from family and community" will assure care for "the old and infirm," protect "the unborn," and help make "the unfortunate" self-sufficient.

By turning back functions to the states, the budget deficit can be brought down and a future balanced budget assured by a constitutional amendment.

The President, whose Administration has been marked by unprecedented growth of the federal deficit, primarily because of massive tax cuts for the most wealthy,

**Continued on Page 2**

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Newspaper Guild's Heywood Broun Award is presented by Lyle Denniston, left, to Mike Masterson of the Arkansas Democrat at National Press Club.

# Guild's Broun Award honors probe of 1960 jailhouse death

Mike Masterson of the Arkansas Democrat won the Newspaper Guild's 1984 Heywood Broun Award for his investigation into the death, 24 years earlier, of a young black man in the Faulkner County Jail in Conway, Ark.

Masterson's investigation "established beyond a doubt" that 21-year-old Marvin Williams "had been beaten to death, probably after his arrest on what appeared to have been a trumped-up charge of public drunkenness," the judges said. A coroner's jury in 1960 ruled his death to an accident.

The $1,000 award was presented to Masterson at a luncheon on Jan. 22 during the winter meeting of TNG executive board.

Masterson, a former member of Chicago Guild Local 71, is currently director of special editorial projects at the Arkansas Democrat in Little Rock.

The award, in its 44th year, is made annually for outstanding individual journalistic achievement in the spirit of Broun's own work in the '20s and '30s. That spirit was distinguished by an abiding concern for the underdog and the underprivileged.

Broun, a newspaper columnist, was TNG's founding president.

Masterson's work was one of a dozen first-rate contenders among the 139 entries in this year's competition, the judges said, noting that "Masterson stood out for his exceptional enterprise, diligence and balance."

The entry "exemplified the spirit of Heywood Broun's own reporting of injustices done to ordinary people who were as defenseless as Marvin Williams was in a small-town American jail in 1960," they said.

Acting on a tip from a white prison inmate who had been held in the Faulkner County jail on the night of Williams's arrest in 1960, Masterson launched an investigation that led him to an autopsy report that showed Williams had died from a blow to the head that severely fractured his skull. The report also showed that no alcohol was found in his blood.

A coroner's jury impaneled within hours after Williams's body was found in a jail cell ruled his death an accident. It based that finding on the testimony of two white police officers that Williams sustained his head injury from a fall on the courthouse steps following his arrest.

As a result of Masterson's reporting, a special prosecutor was named and a grand jury investigation into his death will begin in February.

Judges for this year's entries were Peter Braestrup, editor of the Wilson Quarterly; Lyle Denniston, Supreme Court reporter for the Baltimore Sun, and Katherine Winton Evans, editor of the Washington Journalism Review.

### CORRECTION

John Hall, who negotiated the contract covering young singers and dancers hired to perform at inaugural events, is assistant executive secretary of the Television & Radio Artists (AFTRA). He negotiated the contract on behalf of the 4-As, the parent federation of entertainment unions, on the basis of wage scales of the Guild of Variety Artists (AGVA). The Jan. 19 issue of the AFL-CIO News incorrectly identified Hall as an official of AGVA.

## First contract ratified

# White-collar unit posts victory in Yale dispute

New Haven, Conn.—The 2,500-member clerical and technical unit at Yale University, members of Hotel Employees & Restaurant Employees Local 34, ratified a new 42-month contract that will boost salaries an average of 35 percent over the term of the agreement.

Local 34's long, bitter struggle for a first contract with the university ended Jan. 22 when the members voted to approve the contract, 890-2. The agreement had been recommended unanimously by the 35-member bargaining committee.

Also at that meeting, the Local 34 members unanimously voted to back the blue-collar, service and maintenance workers in their sister unit, Local 35, in negotiations for a new contract. Bargaining for that contract was continuing at the AFL-CIO News presstime, with a strike deadline set for midnight, Jan. 25.

Pay equity, pensions, job security and a dental plan were the central issues for the Local 34 workers, with pay equity receiving national attention because of its impact on workers at other universities and public institutions.

Across-the-board increases will total 20.25 percent over the life of the contract with additional raises coming from a new 17-step pay scale within each grade level. Local 34 spokesman Bill Meyerson said each annual step increase provides a 3-percent pay raise. In addition, the lowest step in the previous pay schedule was eliminated.

### Retroactive raise

The first across-the-board increase of 6.5 percent is retroactive to July 1, 1984. Increases of 3.25 percent will be added in July 1985 and March 1986, with raises in October 1986 and June 1987 totaling 7.25 percent more.

"This contract ends the mechanism by which Yale compressed and depressed salaries by clustering workers at the low end of the pay scales," Meyerson said. He added that adjustments will be paid in January 1987 and July 1987 if the cost of living rise exceeds 4.5 percent. The workers will receive half the percentage of inflation above 4.5 percent.

A dental plan provides full coverage for all prevention and diagnostic care and 80 percent of all other dental services, with no deductible and no maximum limit. The university will pay for full coverage of its workers and half the fee for family members.

Meyerson said pension benefits will be boosted by about 45 percent over the contract's term with increases of 11.5 to 14 percent for current retirees.

Improvements also were achieved in job security, and Yale agreed to pay in full for retraining costs of any worker on layoff.

A joint committee of university and union representatives headed by a mutually agreed upon faculty member will be set up to hear appeals from members who feel they have been slotted at the wrong pay level in the new schedule. The committee will have the authority to make a binding determination.

In the 15-month battle for the contract, Local 34 members built a strong sense of solidarity among themselves and drew widespread support from the rest of the labor movement.

### 10-week strike

After achieving a partial contract on non-economic items early last year, the local hit a stone wall in its efforts to end pay inequities, and the members went on strike Sept. 26 to achieve their goals. The unit of secretaries, research assistants, telephone operators, and computer operators had an average wage of $13,424; 80 percent of the members are female.

As support for their cause grew, some faculty members moved classes off campus and students joined in the rallies that drew public attention to the dispute.

AFL-CIO President Lane Kirkland addressed one rally at the university and assured the strikers that the labor movement was solidly behind them.

Fraternal support from Local 35 was the mainstay of the Local 34 members during their 10-week strike. The walkout ended on Dec. 4 when the members voted to return to work temporarily while the local's bargaining committee worked toward the settlement with the university which has now been ratified.

AFL-CIO Organization & Field Services Director Alan Kistler said the victory at Yale sounds a positive note both for the school's employees and the entire labor movement. The HERE unit's success in winning recognition and a contract acceptable to both sides should boost organizing and bargaining at other universities and in all other white-collar workplaces, he said.

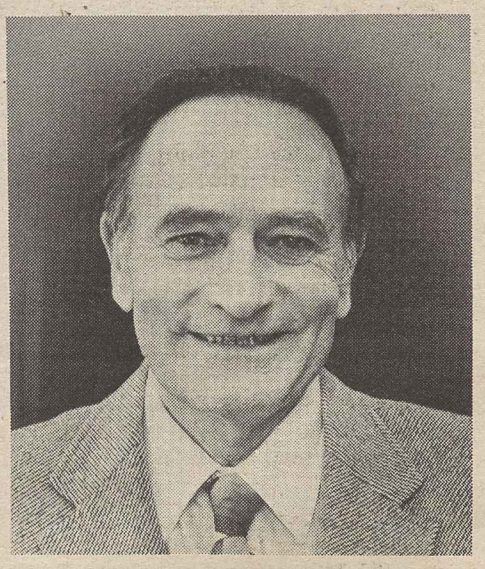
# Roofers choose Wiederkehr to succeed Johnson

Joseph A. Wiederkehr has been elected president of the Roofers by the union's executive board to succeed Roy E. Johnson, who retired.

Johnson, 62, president of the union since 1974, previously served as secretary-treasurer. A member of Local 108 in Washington, D.C., he joined the union staff in 1971.

Wiederkehr, 60, who took office Jan. 16, has been business manager of Local 20 in Kansas City since 1968 and an international vice president since 1970.

He also has been a member of the union's committees on safety and health, and apprenticeship, and was active in the development of the Roofers' political education and legislation fund as well as its drug and alcohol abuse treatment program.



Joseph A. Wiederkehr

# Reagan inaugurates chilling agenda

**Continued from Page 1**

said solemnly: "Let us make it unconstitutional for the federal government to spend more than the federal government takes in."

Reagan began his second term with the advantage of an impressive victory at the polls and the electoral votes of 49 states.

"I will do my utmost to be deserving of your trust," Reagan said in one of the more moving passages of an otherwise low-keyed inaugural address.

As he has throughout his political career, Reagan viewed government as an encroachment on liberty, an intruder into the lives of Americans and an obstacle to the rewards that should go to the successful.

He did, at one point, reach out to black Americans and other minorities with a promise that there will be "no turning back" from progress. This is still, Reagan conceded, an area in which "the federal government can play a part."

The President reiterated his determination to continue to build up America's military defenses while pursuing negotiations seeking a reduction in nuclear arms and their eventual abolition.

His foreign policy goals, Reagan made clear, include support for "free enterprise throughout the world" as well as self-government and individual rights.

### Far-right praise

The President's mild-mannered delivery muted much of the stridency of his conservative doctrine. But the most enthusiastic response to his address came from the fringes of the GOP. Richard Viguerie, the chief fund-raiser for the far right, was asked in a television interview what he would have written for Reagan's inaugural address.

Viguerie glowed happily. The President's message was letter-perfect, he insisted. He wouldn't have changed a word.

As with Reagan's first inaugural, Washington streets were near-gridlocked at times with bumper-to-bumper limousines taking affluent Republicans to rounds of parties. But the GOP was making a special effort this time around to provide a place for young Reagan supporters. The Republican hope is to translate the strong youth vote for Reagan into a permanent political attachment to the GOP.

Rep. Newt Gingrich (R-Ga.), spokesman for a New Right populist philosophy, was a principal speaker at an inaugural Leadership Brunch for Young Americans.

A Washington Post reporter at the event cornered a state official of Virginia's Reagan youth group who was willing to explain the President's political appeal to her contemporaries.

When Jimmy Carter was President, she explained, "we couldn't go on ski trips and buy designer jeans because our parents were strapped financially. But then Ronald Reagan came in, and after a while we got those things."

# *Study documents grim impact of plant closings*

Birmingham, Ala.—The decision to close a plant or shut down a mine that may cause only a ripple in a distant corporate boardroom can set off a tidal wave that leaves workers and their families, local communities and their voluntary agencies swamped and helpless.

A new study conducted by the University of Alabama and the United Way among jobless steelworkers and coal miners found that state unemployment benefits and voluntary agency resources are inadequate to cope with the level and the length of joblessness touched off by shutdowns in a three-county area.

Once those options and workers' own resources have been tapped out, for many of the unemployed "there literally may be nowhere to turn," the researchers found.

The 18-month study was conducted by David Sink, chairman of the university's department of political science and urban affairs, and Norman Eggleston, chairman of the department of social work. United Way Planning Director Harry Brown also participated in the research.

The researchers compiled results of questionnaires given 324 unemployed workers. They interviewed about 30 of the jobless workers. Half of those participating were laid off from a U.S. Steel Corp. facility in 1982, and the majority of the others were out-of-work coal miners.

Eggleston and Sink pointed out that half the workers questioned were over 40 and half had worked at their last jobs for more than 10 years. More than a third of the steelworkers had been on their jobs more than 30 years before they were let go. And most of those over 40 had spent all their adult working lives in the steel mills or coal mines.

### Soaring joblessness

According to Labor Dept. unemployment figures, the Birmingham area has had one of the highest unemployment rates anywhere in the nation for the past several years. Sink and Eggleston lay the blame for the "explosion" of double-digit joblessness throughout the region to the closing of the U.S. Steel mill.

When that plant closed its gates with no warning to workers, local government or local charitable agencies, the impact was "staggering" and "impossible for the local economy to absorb," they found.

The inadequacy of unemployment or other state benefit programs in Alabama "places significant hardships on the unemployed as well as on the voluntary social services network" which cannot cope with such massive income maintenance needs, the researchers found.

They said the situation was made even worse by the national economic recession, and cuts in funding to government and social agencies. The rash of closings further pinched state and local governments through lost tax revenues. Voluntary agencies such as United Way faced substantial losses in contributions as area employers closed their doors and their purses.

Without unemployment benefits or government agencies to provide aid, private charitable agencies were overwhelmed, the study showed.

Eggleston and Sink, in their conclusions, were critical of the element of surprise in the U.S. Steel closing. They pointed out that in some other industrial nations "the government requires advance notification of plant closings so there can be planning for emergency assistance. retraining and relocation."

They pointed out that the area's economy is changing from a manufacturing base to one keyed to services, while many of the long-term jobless—with skills learned in heavy industry—"have become unemployable." Birmingham does not have "adequate social machinery" to cope with the type and depth of joblessness it faces, Sink and Eggleston asserted.

Other findings revealed the depth of personal hardship suffered by workers in the region. Many of those surveyed reported that once their employment benefits dried up, they resorted to cuts in spending for food, housing, medical care, clothing and insurance. In many families, wives went to work or children quit school to find jobs.

### Further hardships

Workers were forced to sell cars, and many discontinued newspapers or telephone service, making it harder to seek out jobs.

Physical and psychological problems also were on the rise, with many workers reporting disrupted marriages, increased use of alcohol and symptoms of severe stress such as insomnia and anxiety.

"The long-term consequences for the community in terms of physical and mental illness and family disruption are obvious. The income maintenance programs designed for brief periods of unemployment are not designed to prevent the misery of extended unemployment. We will therefore be paying for the consequences for many years," the researchers said.

# O'Neal protests plan to cut back funding for arts

The Reagan Administration's plans to slash the federal arts and humanities budgets will do severe damage to the programs they fund if the cuts are implemented, AFL-CIO Vice President Frederick O'Neal warned.

O'Neal, who is president of the Actors & Artistes, said the Administration's proposals to slash nearly 12 percent from the budget of the National Endowment for the Arts and 10 percent from the National Endowment for the Humanities will cut those agencies to the bone and impact severely on the projects they fund.

"While it is clear that the nation's financial problems require some budget cuts, they should be made in areas where they will not be as damaging as in the arts" or, he stressed, "in programs that provide vital services to needy people and their families."

The White House said the Reagan budget for fiscal year 1986, to go to Congress Feb. 4, will call for a cut in the arts budget from a current $163.7 million to $144.5 million and a slash in the humanities budget from $140 million to $125.4 million.

### Annual grants

Federal funding is a vital source of support for the arts. Annually, the arts endowment agency makes some 5,000 grants to large and small opera companies, ballet and theater groups, and a variety of other arts projects.

Humanities funds go toward grants for research and educational projects in literature, history, philosophy and related fields.

Deepest cuts in the arts budget are slated for opera, music and dance programs, and the directors of several companies have said they are worried that the lack of federal grants will also dry up matching contributions from private groups.

Although the Administration has proposed sharply trimmed budgets for the endowments every year since 1981, Congress has rejected the Reagan budget proposals and insisted on appropriating higher amounts for both agencies each time.




## Equity award

Paul Robeson Award of Actors' Equity is presented to Lena Horne by Equity President Ellen Burstyn during the union's national membership meeting in New York. The union's annual award went to Horne in recognition of her 45-year career in music, dance, theater and films, and for her "commitment to the struggle for a decent world in which all people can live in dignity and peace."

# New Jersey to appeal ruling against 'right-to-know' law

Trenton, N.J. — A federal court ruling that weakened New Jersey's 1983 right-to-know law on hazardous chemicals will be appealed but meanwhile legislation is being drafted to replace portions of the law that the court struck down.

Gov. Thomas H. Kean said the state will appeal the Jan. 3 ruling by U.S. District Judge Dickinson R. Debevoise.

"New Jersey has the strongest right-to-know law in the country and we think its citizens have a right to a stronger law than is currently being put forth by the federal government," Kean declared.

The federal "hazard communication" standard covers manufacturing concerns, while the New Jersey law covers all businesses. Judge Debevoise ruled that the federal law pre-empts the state legislation as it relates to manufacturers.

Besides the move to appeal the ruling, legislative action at both the state and federal level are planned. State Sen. Daniel J. Dalton, who sponsored the original 1983 law, said he plans to introduce a new bill that will cover the community aspect of the act.

The New Jersey AFL-CIO, which worked for passage of the 1983 bill, indicated it is working with Dalton on the measure.

At the federal level, Rep. James J. Florio (D-N.J.) said he would seek to amend the 1970 Occupational Safety & Health Act to prevent federal standards from pre-empting stronger state statutes.

Judge Debevoise's ruling blocks the state from applying its right-to-know provisions to the 14,000 manufacturing plants in the state which employ about a million persons.

Included in the state law is the provision that employers give local fire, police and health departments lists of the hazardous chemicals or substances the firms manufacture, use, store or ship from their plants. State officials hope to enact new legislation covering that provision.

# Railway Carmen repel Teamsters raid

Queens, N.Y.—A Teamsters local tried and failed to raid the Long Island Rail Road bargaining unit of the Railway Carmen.

The representation election, conducted by the National Mediation Board, resulted in a 488-252 vote to stay with the Carmen, an AFL-CIO affiliate.

Carmen President C.E. Wheeler said Teamsters Local 808 had campaigned for months to take away the unit, but in the end "we were able to swamp them."

The LIRR workers, represented by Lodge 886 of the Carmen for half a century, didn't "buy the promises" of the Teamster officials, Wheeler said.

# Biennial shuffling of committees puts Congress on hold

Congress is in the midst of its biennial reshuffle of committee assignments and probably won't take up before March the budget and tax issues that are expected to dominate this session.

Senate Republicans had hoped to get a jump on the President's Feb. 4 budget message by unveiling before then a more politically realistic compromise, including a smaller military increase than Reagan wants. But Majority Leader Robert Dole (R-Kan.) found it couldn't be done and moved their target date to Feb. 19. That's just after Congress returns from a recess that will let members assess back-home sentiment.

As for the House, Speaker Thomas P. O'Neill, Jr., promised President Reagan that the Democratic majority will not try to block a vote on whatever budget package the President submits. But he made clear that the procedural assurance was far from a commitment of support.

And if President Reagan wants Congress to freeze or reduce the social security cost-of-living adjustment, he will have to ask for it. O'Neill said, "You can be sure that Democrats are not going to cut social security as a whim of their own."

The House Democratic leadership did agree to give Republicans greater representation on most committees, reflecting their election gains.

The shifts would not be significant for votes that largely follow party lines, but could tilt the balance on some committees where Republicans and conservative Democrats are able to form a majority.

### Narrowed majority

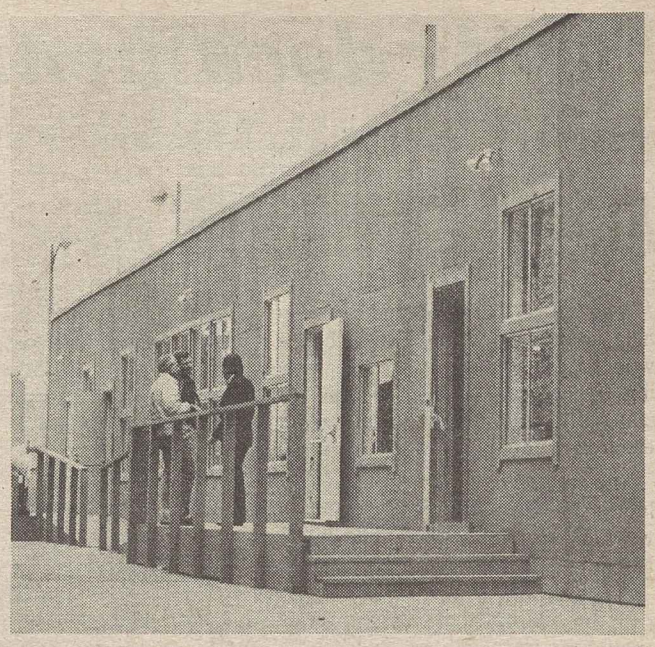
As an example, the increasingly influential and sometimes closely divided Energy & Commerce Committee will slip from a 27-15 Democratic majority to a 25-17 edge.

On the Education & Labor Committee, where liberal Democrats and sometimes moderate Republicans have usually had a safe majority, the 22-13 ratio will drop to a 19-13 Democratic majority. The Merchant Marine panel goes from 25-14 to 25-17; Post Office & Civil Service from 15-9 to 13-8, and Public Works from 30-18 to 27-19.

Committees dealing with major spending and tax decisions were less changed. The Appropriations panel went from 36-21 to 35-22, Budget from 20-11 to 20-13, and the most potent panel, Ways & Means, only from 23-12 to 23-13.

Senate Republicans, meanwhile, were considering in caucus a proposed reshuffle to lower the number of major committees on which a senator could serve.



In a whirlwind of activity, volunteer union craftsmen erect the frame of the Los Angeles emergency shelter in one day, and completed it in four days.

# *Union volunteers build shelter for L.A. homeless*

Los Angeles—For union members in this city, just talking about the needs of the homeless was not enough. They opened their toolboxes and did something about the problem.

In a whirlwind of activity that took just under a week, trade unionists proposed, financed, built and stocked a temporary shelter that will bring in at least 200 homeless people off the streets.

It's been a cold, rainy winter in Southern California, and concern for the city's thousands of homeless people prompted Los Angeles County AFL-CIO Executive Sec.-Treas. William Robertson to propose the labor-built shelter to Democratic Mayor Thomas Bradely, who enthusiastically agreed.

Robertson contacted Executive Sec. Bud Mathis of the Los Angeles County Building & Construction Trades Council and Sec.-Treas. Paul Miller of the District Council of Carpenters, and they coordinated the recruiting of nearly 200 craftsmen. The union volunteers worked all-out to put up the 9,000-square-foot temporary shelter in less than four days.

The councils estimate that the all-union crews contributed more than $100,000 in labor to the project. All building materials —purchased with the help of a local developer—will also be paid for by the area's unions.

The shelter, in the heart of the city's skid row, was stocked with cots and blankets obtained by local volunteer agencies. Many of the details were ironed out by Jim Wood, an assistant to Robertson who is also chairman of the city's Community Development Agency.

Robertson, who had a stint as a homeless person himself many years ago, said he and Mayor Bradley "really focused in on the problem" of people without shelter when a "tent city" for the destitute was pitched directly across the street from City Hall.

"Any enlightened person was aware of the problem," Robertson said, but the tent city "brought it to the forefront" and prompted him to act.

The shelter is the first built under city auspices since federal officials pointed out last year that Los Angeles leads the nation in the number of homeless residents. Estimates of the homeless range from 30,000 to 50,000 people on the city's streets.

The union-built shelter will be replaced later by a permanent city facility.



## Housing trust panel

Board members of AFL-CIO Housing Investment Trust hold annual meeting at federation headquarters. They include Floyd Hyde, a former undersecretary of the Dept. of Housing & Urban Development who was re-elected chairman, AFL-CIO Sec.-Treas. Thomas Donahue and John Evans, HIT's chief executive.

# Survey finds union contract has $100-a-week advantage

**Continued from Page 1**

Among women generally, those represented by unions averaged $301 and those without a union averaged $218.

The data show the union advantage persisting even in recession-hit and import-battered industries where wages were held down or sometimes even rolled back to enable an employer to stay in business.

Two earlier samplings—in May of 1980 and 1977—showed comparable paycheck advantages of union representation.

The 1980 average of $320 a week for union-represented workers was a $42-a-week advantage. In 1977, the $262 union average was $41 more than for the non-union group.

The union advantage persisted and even grew during a period in which the proportion of wage and salaried workers represented by unions slipped from 26.5 percent in 1977 to 25.7 percent in 1980 and 21.6 percent for 1984.

By industry, construction has the biggest differential. Last year, the union segment averaged $539 a week to $306 for the non-union construction workers. Service occupations had a $384 average under union contracts and $191 without union representation.

Government workers represented by unions had a $404 to $338 advantage and the retail trade comparison was $339 to $225.

The data on the percentage of workers under union contract show a 24.5 percent ratio last year among full-time workers but only 9 percent among part-time employees.

### Minority representation

The survey found that 29.5 percent of blacks were represented by unions, including 33.4 percent of black men and 25.7 percent of black women.

Among whites, the 20.7 percent overall representation included 24.9 percent of men and 15.6 percent of women workers.

The Hispanic category listed 22.9 percent union representation, with a 26.2 percent ratio of men and 18.4 percent of women.

# Manufacturing sector called key to balancing U.S. trade

The United States must draw up a clear set of national goals that puts the need for a large, diversified manufacturing sector at the top of the list, President Howard D. Samuel of the AFL-CIO Industrial Union Dept. warned.

In a National Press Club speech before the Japan-American Society of Washington, Samuel said that once this simple proposition is established, "then everything else falls into place."

It is the manufacturing sector that provides most of the nation's productivity improvements, he said, adding that "if we are ever to be able to achieve a better balance in our trading account, we will have to sell goods as well as services."

Samuel said the past 20 years have given ample evidence that the United States is losing the race for its proper share of the world market. The nation's merchandise trade balance has been negative for 12 of the past 14 years, and its share of world trade in manufactured goods has been declining for 20 years.

### Deficit doubled

The U.S. trade deficit through the first nine months of 1984 soared to a record $96 billion—double that of the same period a year earlier—and the government estimates that final figures will put the deficit for the full year at more than $130 billion.

The deficit with Japan, the largest with any country, reached $10.4 billion in the third quarter of 1984 after hitting $7.9 billion in the previous three-month period.

The overvalued U.S. dollar has contributed to the trade imbalance, but so have other factors such as the growing tendency of the country's trading partners to use non-tariff barriers to protect their domestic markets from American exports, Samuel observed.

"Japan has clearly indulged in this practice, on a massive scale," he said, "but so have the countries of the European Community and the newly industrialized group.

"Another cause is the increasing practice of industrial targeting, using fair means or foul—measured against GATT standards—by our trading partners. Again, Japan is frequently mentioned as the leading practitioner but it is in fact only one of many."

Samuel recommended reform of U.S. trade laws to take adequate steps against those trading partners whose methods violate GATT standards. GATT—the General Agreement on Tariffs & Trade—is the treaty administered in Geneva that sets rules for world trade.

### Industrial targeting

Samuel said the U.S. government should be more responsive to industries that are the victims of foreign industrial targeting.

"We should also seek means of stabilizing international trade in a few industries where all the rules have broken down and a multilateral regime is clearly needed," he said, citing steel as an example.

Finally, labor, industry, and government should be brought together in an industrial policy framework, he said.

"I am not looking for more government intervention into the marketplace," he stressed. "We may already have too much. But what we have has been imposed without rhyme or reason . . . and without national purpose."

## Jessica Smith elected to new Frontlash post

Jessica Smith has been elected chairman of Frontlash, the labor-supported youth organization, and Joel Klaverkamp has been elected executive director.

Smith, 27, had been executive director of Frontlash since 1979 after having been a campus volunteer for the organization since 1974. She will be the organization's first full-time chairman. Daniel Curtin, an assistant to California AFL-CIO Executive Sec.-Treas. John Henning, has served as part-time chairman since 1978.

Klaverkamp, 27, has served for the past year as Frontlash's New York director. Earlier, he was director for Minnesota.

Founded in 1968, Frontlash works with labor organizations nationwide on a wide range of projects, including voter registration and labor education.

# Employer bias ruled a valid election issue

The National Labor Relations Board upheld a ruling of one of its hearings officers who found no objection to a union's raising the issue of an employer's alleged racial discrimination during a representation election campaign.

But as so frequently happens, the federal labor law's built-in delays mean that the workers involved will have to wait a while for justice to be served.

The employer in the case, the Coca-Cola/Dr. Pepper Bottling Co. of Memphis, Tenn., filed an objection with the board and asked that the decision be set aside. Thus, the case remains pending and the workers, who voted in favor of a union, must wait.

In the May 28, 1982, representation election, employees of the Coca-Cola plant chose the Teamsters Local 1196 by a vote of 203 to 165, with 41 challenged ballots. The company challenged the outcome on several grounds, including charges that the union used references to management running its business like a "plantation" and appealed for racial solidarity. The company also said a substantial number of the 41 challenged votes had been cast by discharged employees. The board subsequently found that 24 had been lawfully discharged and were not eligible to vote.

In a 2-to-1 decision, an NLRB panel held that the union references and appeals for racial solidarity did not taint the fairness of the election, but merely raised the question of unfair treatment—a legitimate issue in an election campaign.

Members Don A. Zimmerman and Patricia Diaz Dennis signed the board opinion, with Member Robert P. Hunter dissenting.

"We agree with the hearing officer," the board majority said, "that the campaign here was not designed to inflame racial hatred or to engender conflict between black and white workers.

"Rather, the comments were obviously designed to express the view that blacks had not been treated fairly by their employer and that they needed to join forces to do something about it."

The union's charge that "the company had kept blacks down for a long time . . . represents nothing more than a view that the black employees had been mistreated in their employment with this employer—a legitimate issue for discussion during a union campaign," the board said.

"References to 'plantation' and 'Martin Luther King' simply put these matters in a historical setting well understood by all, blacks in particular."



Idaho AFL-CIO President brands Republican-backed bill "a smokescreen for union-busting."

# *GOP steamroller in Idaho passes 'right-to-work' bill*

**Continued from Page 1**

couldn't sit down and discuss it like white men, like civilized people."

Fortunately, McKnight said, "my eyes were opened" and he and his father are now in accord.

After the hearing was abruptly shut down, Gov. Evans told union members gathered on the steps of the Capitol that he shares their indignation at the attempt to railroad through a "divisive" bill that denies the concept of majority rule and would be harmful to the state's economic health.

Union members showed up in large numbers before the Senate vote as well and prepared to go back to their home towns to build grass roots pressure for the vote switches needed to sustain the anticipated veto.

Conservatives are bringing counter-pressure on Republican legislators to hold firm. The political reporter for one of Idaho's newspapers wrote in a column of an unnamed Republican senator who said privately that he would like to vote against the anti-union bill. But, he explained to the columnist, revealing at a Republican caucus that he's "less than 100 percent behind 'right-to-work' would be like telling the caucus one is gay."

The bill acted on by the legislature goes beyond that of other "right-to-work" states and imposes both jail and fine penalties for picketing to achieve a union shop or "intimidation" of any worker or member of his household to join or pay dues to a union or to refuse to work with a non-union employee.

AFL-CIO General Counsel Laurence Gold questioned the constitutionality of the legislation and termed it "a blatant effort to override federal law."

### Bans legal actions

In a telegram to State AFL-CIO President Kerns, Gold noted that "the National Railway Labor Act specifically permits agreements that this bill would make illegal" and the restrictions on strikes and picketing are not authorized by the National Labor Relations Act.

Meanwhile, the anti-union majority of the legislature is preparing another kick at the state's labor movement.

A bill to repeal the state's prevailing wage law—its "little Davis-Bacon Act"—has cleared a House committee and is expected to move to a vote shortly.

There, too, the governor made a veto stick in a previous legislature and has indicated he will veto any new attempt to repeal the law.

# GTE division told to reinstate full seniority benefits

Boston—Seniority benefits giving long-time employees of GTE Products Corp. extended sick leave and personal time off with pay have been restored to them under a ruling by an administrative law judge of the National Labor Relations Board.

The ruling, which resolved a two-year-old unfair labor practice charge by six unions and the AFL-CIO Industrial Union Dept., said the benefits had become an integral part of the terms and conditions of employment and thus were a mandatory subject of bargaining.

GTE Products, formerly GTE Sylvania Inc., had unilaterally cut off both extended sick leave—full pay for up to 50 weeks a year—and brief periods of personal time off with pay for employees with 25 or more years of service.

The case goes back to 1982 when, during coordinated bargaining, GTE sought to eliminate the benefits that were enjoyed by members of the company's "Quarter Century Club." In prior years, management had insisted that the club and its operation were outside its bargaining agreement with the six unions.

### Unions involved

The unions, representing a total of some 3,000 workers at 10 locations, are the Machinists, Auto Workers, Electrical Workers, Electronics Workers and unaffiliated Teamsters and United Electrical Workers.

After strong resistance by the IUD's GTE Coordinated Bargaining Committee, the company dropped its demand. Negotiations were concluded with a three-year agreement that preserved the club's status.

In December 1982, however, the company notified the unions it had established new administrative guidelines regarding the benefits and planned to put them into effect the following month.

Upholding the unions' unfair practice charge, the NLRB's Judge Robert Wallace ordered immediate restoration of the benefits and retroactive reimbursement to workers who lost pay or benefits as a result of the company's action.

# Copper firms slam door on accord

Albuquerque, N.M.—A "shameful exhibition of corporate irresponsibility" forced the breakdown of talks between the Steelworkers and five major copper companies over a new wage and benefit package, USWA Sec. Edgar Ball charged.

Ball, chairing the union's National Non-Ferrous Bargaining Committee, said the 20 local unions engaged in the talks had come to the table ready to make "a good faith effort to demonstrate our deep concern over the plight of the industry and the jobs of our members."

Although current contracts with the copper producers run to June 1986, both sides had agreed to new talks to hammer out cost-cutting measures—including temporary wage cuts—to shore up the depressed copper industry.

A tentative agreement went down the drain when most of the companies refused to agree to a pattern settlement.

The union's members, Ball said, were prepared to show a willingness to make "necessary sacrifices" and work with the companies to find ways to save jobs and ease the financial plight of the industry.

USWA President Lynn Williams, at a meeting of the 140-member bargaining committee that preceded the first talks, said job security was high on the USWA's agenda. Employment in the copper industry has dropped from nearly 40,000 ten years ago to roughly 12,000 today.

Williams also stressed that the union plans to keep up its corporate campaign against Phelps Dodge Corp., whose copper miners and smelter workers have been on strike at facilities in Arizona and Texas since July 1983, and to continue its program of assistance to the strikers.

### Tentative package

Ball explained in a statement that the bargaining committee had reached a tentative agreement with ASARCO, Inc., for a temporary concession package that could serve as a pattern for the others. But only Inspiration Resources Corp. agreed to the same terms. Bargaining broke off after Kennecott Corp., Magma Copper Co., and Pinto Valley Copper Corp. refused to accept the pattern and demanded deeper, permanent wage and benefit cutbacks.

The USWA committee voted unanimously to reject the entire ASARCO package, charging that it had been "torpedoed intentionally" by the other companies, Ball said.

Under the plan, the unions would have agreed to temporary wage cuts of $2.50 an hour and temporary suspension of cost-of-living adjustments, as well as other pay and benefit revisions. Wages would have been restored in three increments of 75 cents each by January 1987.

The holdout companies wanted wage cuts of about $6 an hour, $3 of it permanent, and permanent suspension of COLA.

In a separate development, a ruling by the National Labor Relations Board general counsel has brushed aside the USWA's unfair labor practice charges and cleared the way for the counting of ballots in decertification elections a Phelps Dodge facilities in Arizona.

In those contests, the NLRB earlier ruled that only strikebreakers were allowed to vote. As one result, the decertification election at the company's struck facility in El Paso, Tex., led to a vote against the USWA unit there.

The USWA represents the largest number of workers at the Phelps Dodge facilities where a total of 13 unions have been on strike for 18 months.

The programs of aid to the striking workers have been boosted by the strong support of the AFL-CIO and its affiliates.

Williams said contributions to the Copper Relief Fund can be sent in care of the Southern Arizona Central Labor Council, 606 South Plumer, Tucson, Ariz. 85719.

# David Silberman joins AFL-CIO's legal staff

David Silberman has joined the AFL-CIO's legal department as associate general counsel of the federation.

Silberman, 34, comes from the Washington firm of Bredhoff & Kaiser, where he had been an attorney since 1977 and partner for the past two years. Earlier, he was a clerk for Supreme Court Justice Thurgood Marshall.

A native of New York, Silberman graduated from Brandeis University and received a law degree at Harvard University.



AFL-CIO safety specialist Margaret Seminario denounces OSHA delays on a field sanitation standard. With her at a Capitol Hill press conference is Rep. Matthew Martinez (D-Calif.), a farm district congressman.

# *Eastern Airlines restores full pay to union workers*

Miami—Eastern Airlines backed down in the face of union lawsuits, and agreed to discontinue employee pay cuts that were to have expired at the end of 1984, and restore all the wages it has deducted since Jan. 1.

In return, the Machinists, Air Line Pilots and the Transport Workers agreed to expedite talks on the company's request for other concessions so the airline can satisfy its lenders by Jan. 31.

Eastern Chairman Frank Borman said that more concessions were needed for the carrier to stay competitive. While Eastern has registered losses every year since 1979, it rang up profits in the last two quarters of 1984.

A year ago, the three unions agreed to a $380-million package of wage and productivity savings in return for 25 percent of Eastern's stock and an unprecedented voice in management.

When Borman announced last month the carrier had unilaterally extended wage cuts and other concessions, the unions filed lawsuits charging that the airline had violated existing agreements and was bound to honor its commitment to restore the pay cuts Jan. 1.

IAM represents some 12,000 flight dispatchers, mechanics, and related personnel; ALPA represents about 4,000 pilots, and TWU bargains for some 6,500 flight attendants.

The old IAM contract covering mechanics and other ground employees became amendable on Jan. 1 under the Railway Labor Act, but negotiations typically extend several months beyond the end of a bargaining agreement. The IAM agreement covering flight dispatchers expires July 1, while the TWU contract runs out Apr. 1, and the ALPA agreement expires May 31.

### Limited exchange

In late 1983, the unions agreed to pay cuts ranging from 18-to-22 percent for one year in exchange for company stock, representation on Eastern's board of directors, and other concessions.

Following the airline's announcement that it would end the pay cuts, IAM agreed to postpone indefinitely its lawsuit against Eastern. The other two unions are weighing their decision.

Charles E. Bryan, president of IAM's District 100, said he was confident that an agreement could be drawn up to provide continuing financial strength for the airline.

But Bryan, who brought IAM's suit this month in U.S. District Court here to prevent the withholding of wages, continues to stress that the way to cut labor costs is through increased productivity, not reduced wages.

In a report to the airline's board, Bryan noted that IAM members accounted for more than $30 million in productivity gains last year.

In harsh language, Bryan, who is one of four labor representatives on the board, accused the company of not adequately reducing the number of supervisors through attrition, and failing to eliminate waste, reorganize management and consolidate its divisions.

As to Eastern's string of annual profits declines, Bryan observed: "We can't go on forever saying that we have the best management team in the industry when we continue to sustain losses."

# Sheet Metal union hits work quality of non-union firm

The Nuclear Regulatory Commission should deny an operating license to the Comanche Peak power plant near Dallas until all concerns about shoddy workmanship of a non-union contractor are allayed, Sheet Metal Workers President Edward J. Carlough said.

In a letter to NRC Executive Director William Dircks, Carlough noted that the agency is already aware of the "serious allegations" against Brown & Root, Inc., a large non-union construction firm that worked on Comanche Peak. NRC "should consider that serious job-site conditions would come to light only through a complete investigation" of the project, Carlough stressed.

He urged the NRC to give "special protective coverage to all employees who may submit testimony concerning these serious allegations." He also asked that officials of the Citizens Association for Sound Energy, a Texas group which has closely monitored the firm's performance record, be allowed to testify at any agency hearing.

Carlough cited performance reports concerning Brown & Root, Inc., made by the NRC's licensing division, the construction appraisal team and Texas Utilities Generating Co., for which the plant is being built.

In December 1983, Carlough asked the NRC to ban the company from further work on any nuclear power projects because of deficiencies in the quality of its work. At that time, the NRC proposed a $40,000 fine against the utility because it had fired an inspector allegedly for reporting flaws in the construction work performed under Brown & Root.

In 1981, Brown & Root was dismissed from a south Texas nuclear power project being constructed for Houston Power & Light.

# OSHA denounced for delay on farm sanitation rules

The AFL-CIO attacked the Occupational Safety & Health Administration's foot-dragging on a field sanitation standard, charging that the agency's delays are "inexcusable."

"This is not a complex or scientific issue that OSHA should have to wrestle with—it is a matter of dignity for farm workers," said Margaret Seminario, the federation's job safety director, at a Capitol Hill news conference.

The proposed standard would require agricultural employers to provide workers with sanitation facilities, including portable toilets, and water for drinking and hand-washing.

OSHA has been under court orders for more than a decade to issue a field sanitation standard. The Farm Workers petitioned the agency in 1972 to set a standard and later sued OSHA.

In 1975, the U.S. District Court for the District of Columbia ordered OSHA to develop a standard. But the case was sent back by the U.S. Circuit Court of Appeals for the District of Columbia for further consideration.

### Court settlement

Another ruling by the District Court in 1978 was again remanded. Finally, in 1982, a settlement was reached under which OSHA would issue its standard by Feb. 16, 1985.

In its most recent periodic report to the court, OSHA contended that personnel changes, "the length and complexity of the record" and "the substantial work necessary to complete development of the standard" would not permit the agency to issue a standard until mid-April.

At the press conference, Seminario said that what OSHA lacks in reality is not the resources but "a commitment to protect these workers. It has had vacancies in its health standards section for a long time and it tells Congress regularly that it is properly staffed."

She said the AFL-CIO will continue to work to make sure OSHA carries out its commitment to farm workers. Also taking part in the news conference were Rep. Matthew Martinez (D-Calif.), who has held a number of meetings with his farm worker constituents, and representatives of the Farm Worker Justice Fund.

# U.S. economy registers 6.8% growth for '84

The nation's economy grew 6.8 percent last year as inflation moderated, the Commerce Dept. reported.

Real gross national product in the final quarter of 1984 was up at an annual rate of 3.9 percent. Real GNP is the measure of the total output of goods and services adjusted for inflation.

In a separate report, the Bureau of Labor Statistics said the Consumer Price Index for Urban Wage Earners & Clerical Workers (CPI-W) rose two-tenths of 1 percent in December and for all of 1984 increased 3.5 percent.

Workers' real earnings last month rose eight-tenths of 1 percent, about the same as in November, and were two-tenths of 1 percent above the year-earlier level.

The 6.8-percent growth in GNP over the year compared with 3.7 percent in 1983. As measured on a fourth-quarter to fourth-quarter basis, the 1984 gain was 5.6 percent, compared with 6.3 percent in 1983.

### Top performance

It was the best performance for the economy since 1951, and the fourth-quarter growth rate of 3.9 percent was significantly higher than the government's preliminary estimate of 2.8 percent.

Real GNP rose at an annual rate of only 1.6 percent in the third quarter.

The fourth-quarter growth was marked by a large increase in final sales—due to a strong Christmas shopping season—that more than offset a sharp drop in inventory-building by business. This was in contrast to the third quarter, when inventories rose as final sales fell.

In its report on consumer prices, BLS said prices for food and beverages, medical care, and other goods and services each rose three-tenths of 1 percent in December.

Homeownership costs in the CPI-W, which include house prices, mortgage interest rates, property taxes, property insurance, and maintenance and repair costs, rose four-tenths of 1 percent.

In the Consumer Price Index for All Urban Consumers (CPI-U), which uses a rental equivalence approach, shelter costs were also up four-tenths of 1 percent. The overall rise in the CPI-U was the same as that of the increase in the CPI-W, two-tenths of 1 percent.

Automobile prices barely moved in December. New car prices were up 2.3 percent for the year and used car prices rose 7 percent. Medical care costs, up three-tenths of 1 percent last month, were 6.1 percent above the year-earlier level.

### Real earnings

BLS's separate report on real earnings showed that, in current dollars, production and nonsupervisory workers in the nonfarm sector averaged $299.34 a week in December. This compared with a weekly average of $296.38 in November.

Adjusted for inflation, and expressed in terms of constant 1977 dollars, however, the December weekly average was $173.83, compared with $172.41 in November.

# Schedule of Labor Studies Center courses

The George Meany Center for Labor Studies will offer seven institutes and workshops during February and March. The schedule:

**Arbitration: Preparation & Presentation,** Feb. 3-8—An institute on the presentation of mock cases before professional arbitrators. The exercises are videotaped for self-criticism.

**Newswriting & Editing,** Feb. 3-8—A workshop for union editors seeking to make their publications more readable, more credible and more useful.

**Computers for Local Unions,** Feb. 18-22—A briefing on the use of computers for local union officers who need some knowledge before buying equipment.

**Labor Law,** Feb. 24-Mar. 1—A review of laws affecting staff responsibilities in bargaining, servicing and union administration, including problems arising from bankruptcy and plant closing.

**Negotiating Techniques: Private Sector,** Mar. 3-8—A skills-sharpening session for experienced negotiators through simulated bargaining exercises in front of a video camera with federal mediators on hand.

**Advanced Organizing Techniques,** Mar. 11-21—A two-week workshop co-sponsored by the AFL-CIO Dept. of Organization & Field Services. Enrollees must be approved by the department.

**Advanced Arbitration Techniques,** Mar. 17-22—Programs for experienced union representatives focusing on the examination and cross examination of witnesses, preparation of briefs and researching issues.

Unions using the campus during February for their own staff training programs are: Communications Workers, Feb. 3-22; Teachers, Feb. 10-15; Newspaper Guild, Feb. 15-22; Flight Attendants, Feb. 18-22; Operating Engineers, Feb. 24-Mar. 1, Electrical Workers, Feb. 24-Mar. 1.

The American Institute for Free Labor Development has a class of Latin American unionists on campus through Feb. 22.

More information about these and other labor studies is available from Fred K. Hoehler, Jr., executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903; telephone 301/431-6400.

# EDITORIALS

## Another America

AS JUBILANT and affluent Republicans were pouring into Washington for a round of inaugural parties, the United States Conference of Mayors was winding up its winter meeting on a grimmer note.

As New Orleans Mayor Ernest Morial put it, the nation's "selective" economic recovery has bypassed many of the nation's cities.

Morial, the new president of the Conference of Mayors, said problems of poverty, joblessness, hunger and homelessness are getting worse rather than better.

Cities don't have the resources to meet the growing need for emergency food and housing, he stressed.

Other mayors spoke with dismay of the prospects for new federal cutbacks in social services. "We just can't take any more cuts in our social support system," Louisville Mayor Harvey Sloane said at a workshop session.

This is the harsh reality that Congress must deal with—a reality that the rhetoric of President Reagan's inaugural address ignores.

Mr. Reagan would make the poor more self-reliant by withdrawing the often meager federal programs now available. He would relegate both problems and costly solutions to the states and cities, closer to the people.

If there was any applause for Mr. Reagan's solution to poverty, you can bet it didn't come from the large-city mayors.

They are close to the people.

They know better.

## A Life-Support Tax

ALMOST ALONE among the world's developed nations, the United States makes no provision for the health care of its workers and their families.

In recent years, belatedly, we have enacted Medicare for the elderly and Medicaid for the poor among us. But ordinary working Americans have been left to manage on their own.

At one time, as the older among us remember, a shop collection to pay for a co-worker's hospital stay was commonplace. A union might levy an assessment for a death benefit to help a widow pay funeral expenses.

Out of necessity, unions negotiated employer-paid hospital insurance and eventually health care benefits. These and other union-pioneered life-support benefits have increasingly become a standard condition of employment in the United States.

Since Congress has thus far balked at providing comprehensive health insurance as a birthright of all Americans, the private sector role is essential.

IT IS AGAINST this backdrop that the Treasury Dept. proposal to tax the value of so-called fringe benefits provided by employers appears so outrageous and unjust.

It comes with especially poor timing at a point when President Reagan is insistent that taxes not be increased and that deficits be held down by reducing federal expenditures for health care, among other domestic programs.

By no honest definition could such a raid on workers' paychecks be described as "tax simplification."

It proposes a new tax, to be levied on life-support provisions that are provided by employers because the government has chosen to leave the responsibility to the private sector.

At the very least, the private sector should not be penalized for meeting its responsibilities.




### Washington Window

# Widening U.S. trade gap imperils world economy

**By Press Associates, Inc.**

The federal budget deficit during the Reagan years has grown into a kind of monster which regularly captures front-page headlines and has come to dominate the political debate over government spending and taxes.

But there's a less publicized deficit which also has been expanding at alarming speed and which could prove to be an even more dangerous monster—the U.S. trade deficit. Since 1980, this widening imbalance between imports and exports has slowed domestic economic growth about 3 percent and has cost the nation more than 2 million jobs, most of them in manufacturing.

When people think of debtor nations, Mexico, Brazil and other Third World countries come to mind. But it appears that the United States soon will become a net debtor for the first time since 1917, mostly because of mounting trade and balance of payment deficits.

If the United States becomes a debtor nation, warned Business Week magazine, it will "further destabilize the already rickety international financial system," of which America has been the mainstay since World War II.

The trade deficit in 1983 reached a record $69 billion, almost double the 1980 level. For 1984, it exceeded $120 billion.

### Worse yet

While these figures alone are disturbing, a closer look reveals an even darker picture. In 1983, the United States recorded trade surpluses in only two sectors—agriculture and chemicals, but at much lower levels than in 1980.

For the first time since World War I, the United States has become largely an exporter of cheap raw materials and agricultural commodities and an importer of expensive finished goods.

The reasons for the trade gap go back to the 1970s and include the OPEC oil price hikes, aggressive competition from Europe and Japan, and the widespread transfer of technology and capital by U.S. multinational corporations.

However, it has been the Reagan Administration's fiscal and trade policies that pushed the trade deficit each year to record-breaking heights. First, the record $200-billion federal budget deficits flowing from the Administration's tax giveaways and military spending binge have kept real interest rates at historically high levels.

These high interest rates, in turn, have contributed to an artificially high dollar valued at least 35 percent higher than warranted by normal market conditions. The overvalued dollar has hurt exports by making them more expensive and encouraged imports by making them cheaper.

### Interest rates costly

High interest rates also have encouraged massive inflows of foreign capital, making the U.S. economy highly dependent on foreign investors and slowing growth in European and other nations by reducing their pool of investment funds.

Further, high interest rates have raised the already heavy debt burden of developing Third World nations—reducing their ability to buy American products, increasing their need to acquire U.S. dollars by boosting their exports to the United States, and lowering their already poor living standards.

The stability of the U.S. and world economy demands reducing the federal deficit and ending our reliance on foreign funds.

To close the widening and destabilizing trade gap, save American industries and jobs and promote balanced economic growth, organized labor supports a range of measures.

They include reducing the federal deficit and interest rates by closing tax loopholes for corporations and the rich, strengthening and vigorously enforcing U.S. trade laws, repealing tax incentives for companies to move their operations abroad, intervening in currency markets to trim the bloated dollar, and enacting domestic auto content requirements.

AFL-CIO news

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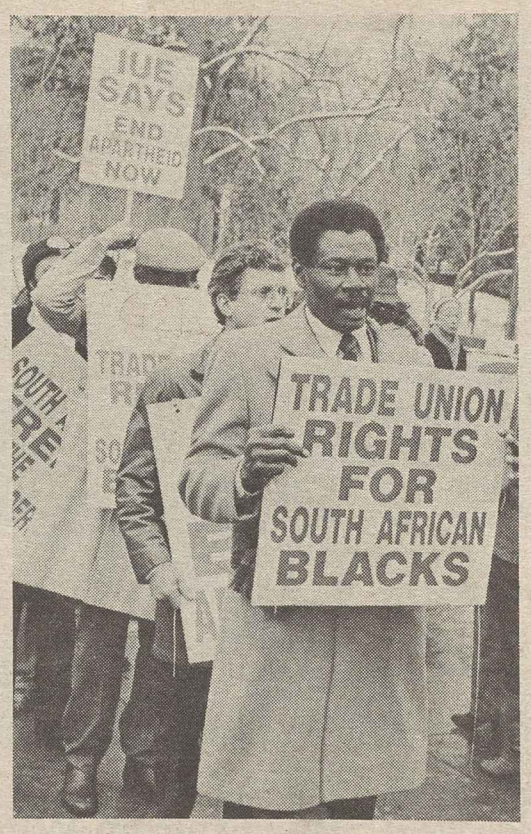
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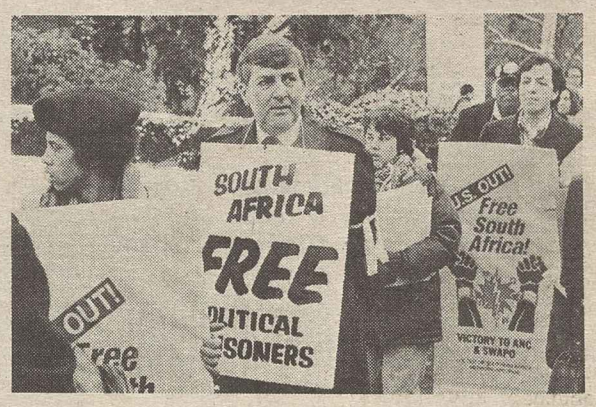
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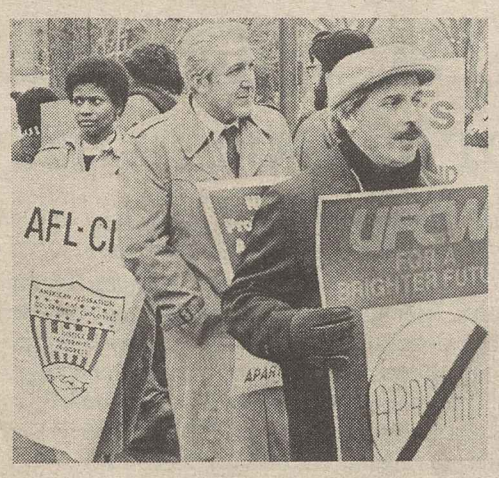












Hundreds of union members express their support for oppressed black workers in South Africa.

# *Union demonstrators build pressure to end apartheid*

**Continued from Page 1**

vigorous and effective action against apartheid."

Young said the AFL-CIO will not be content with symbolic demonstrations but will continue to provide moral and material assistance to the oppressed black trade unonists as long as the practice of apartheid continues.

Also taking part in the news conference was Federation Civil Rights Director William E. Pollard who pledged the AFL-CIO's "unfaltering support and assistance" for the "aims and aspirations of the South African black trade union movement."

Pollard, a director of the NAACP, said American union members were joining the picket line to protest and deplore the harassment, the violations of workers' rights and human rights, the denials of human dignity, and the systematic attempts by the South African government to destroy the emerging free black trade union movement in that country.

"We call upon all Americans to denounce these reprehensible actions and demand the elimination of the repressive and inhuman system of apartheid and the implementation of majority rule," he said.

"In defiance of world opinion, the current South African regime has run rampant over human rights, workers' rights, and the principles of democracy, justice, and equality.

"Our presence here today expresses our unity with our black brother-and-sister trade unionists and their commitment to equity in South Africa and the rise of a strong black trade union movement."

Barbara Van Blake, director of the Teachers' human and civil rights department, stressed that apartheid has its most devastating effect on women and children, some of them barely surviving. Their men are sent to distant mines or factories and used as virtual slave labor, she said.

### Families suffer

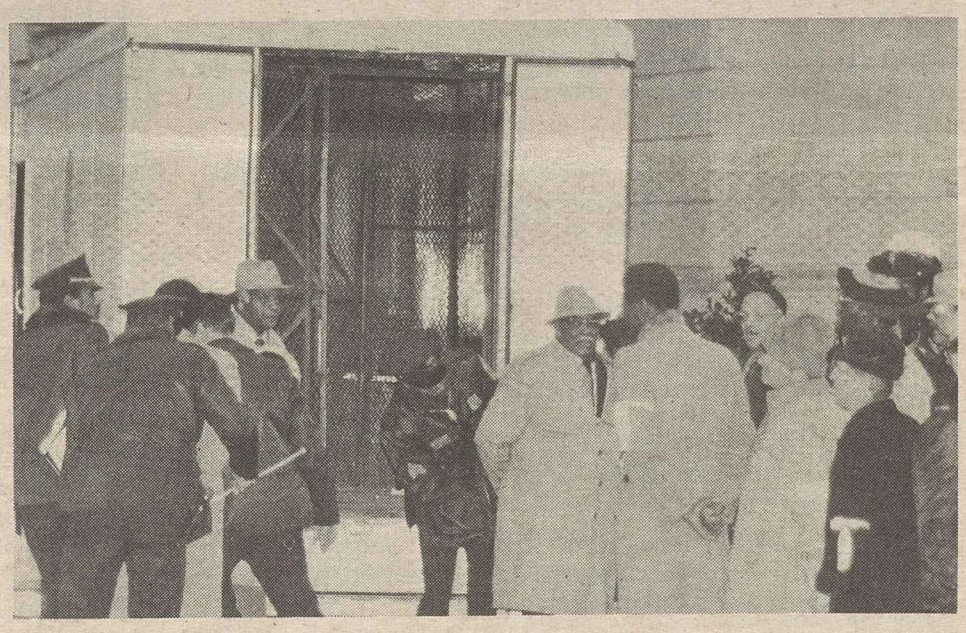
"Apartheid denies black women and children the right of family life and support from family. It separates fathers and mothers when they have to work away from their children," she said.

"As long as we fight in the United States for equal rights, women in labor unions cannot stand and watch the destruction of black families in South Africa. Constructive engagement practiced by President Reagan and his Administration reinforces the South African government in destroying black families."

Biller, Young, Pollard and Van Blake were among those arrested, strapped in plastic "flexicuffs," and driven away to police stations where they were charged with violating statutes prohibiting demonstrations within 500 feet of an embassy. None of those arrested was prosecuted.

As the 87 unionists were whisked away, cheers went up from the remaining pickets. Leading the cheers was AFL-CIO Sec.-Treas. Thomas R. Donahue, himself jailed after an earlier labor protest.

Among the 300 picketing men and women were members of the Teachers, Electronics Workers, Service Employees, Graphic Communications Union, Steelworkers, Food & Commercial Workers, Government Employees, Postal Workers, Office & Professional Employees, State, County & Municipal Employees, Machinists and Communications Workers. The demonstration was coordinated by the Washington Metropolitan AFL-CIO.



# International Harvester pact regains benefits, raises pay

Chicago—Members of the Auto Workers overwhelmingly approved a new three-year contract with International Harvester Co. that restores many of the concessions the union granted the company in 1982 to stay alive.

The agreement, which ended a two-day strike, covers some 11,000 workers throughout the country.

Three years ago, to help the firm out of its financial difficulties, the workers agreed to a wage freeze, a deferral of three cost-of-living adjustments for 18 months, and a reduction of paid holidays. The concessions saved Harvester an estimated $200 million.

Under the new agreement, workers will receive a substantial wage increase. An initial boost of 31 cents an hour retroactive to last October will go to all workers, who will receive another 2.25-percent hike this October.

In addition, the new contract restores three days of paid personal absence at the worker's choice, adds five additional paid holidays to give workers a total of 44 over the entire agreement, and improves the profit-sharing plan set up in 1982.

It also maintains the old cost-of-living adjustment provision, and calls for payments to be rolled into base pay rates.

Also, the settlement greatly improves job security by committing Harvester to provide a guaranteed level of straight-time wages to UAW members.

The union's Supplemental Unemployment Benefits fund is maintained under the agreement through a $3-million infusion of funds. Worker safety and health protections were significantly expanded, and a provision for labeling hazardous materials is included in the pact.

The parties also agreed to set up a committee to look into ways to reduce the cost of health care without reducing benefits.

The union struck the company on Jan. 18. Negotiations first began last summer and recessed Dec. 30.

The company, which manufactures medium and heavy-duty trucks and diesel engines, has plants in Springfield, Ohio; East Moline, Rock Island and Melrose Park, Ill., and Memphis; parts distribution centers in Kansas City, Kan., Atlanta, Dallas, and St. Paul, Minn. and a design facility in Fort Wayne, Ind.

## ITU members to vote on merger pact Mar. 27

Colorado Springs, Colo. — The Typographical Union will conduct a membership referendum Mar. 27 on a proposed merger with the Graphic Communications Union, the ITU executive council reported after it approved the merger document.

ITU President Robert S. McMichen said, "We are one step closer now to realizing a dream of total unity among working people in our industry."

GCIU's general board is expected to approve the merger and set a date for a referendum at its meeting in Annapolis, Md., the week of Feb. 4.

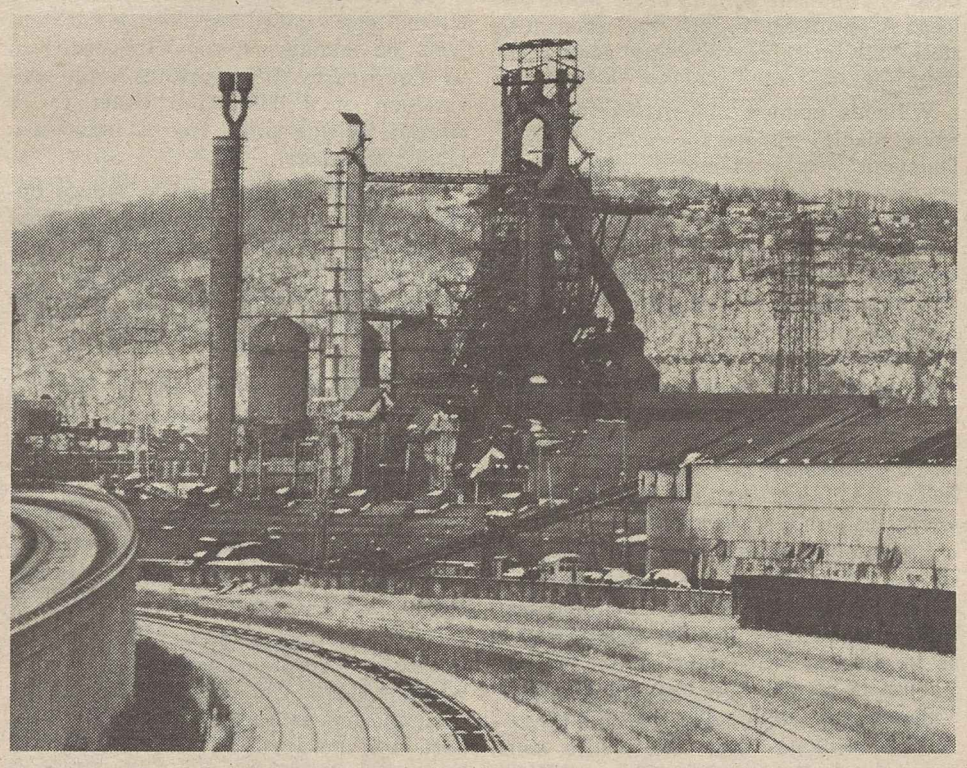
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PAGE 5

# Tax policy tilts burden, benefits



## New hope for Dorothy Six

Once the most productive blast furnace at U.S. Steel Corp.'s now idle Duquesne, Pa., works, the facility known as Dorothy Six was slated by the company for demolition. But a study commissioned by the Steelworkers shows that Dorothy can be revitalized and operated competitively, holding out new hope to save thousands of jobs in the Monongahela Valley. (Story, Page 2.)

## Shifts impose heavier load on paychecks

**By Susan Dunlop**

The tax burden on lower income families has gone up over the last 20 years while the share carried by the richest families has dropped substantially, a new study reports.

The study, Who Paid the Taxes, 1966-85, by Joseph A. Pechman, also found that there has been a dramatic shift in the tax burden loaded onto labor income—wages—and away from capital income such as investment income, interest and dividends, over the period.

Pechman is an economist and a senior fellow at the Brookings Institution, the Washington-based research organization that published his findings. He is considered one of the country's leading tax experts.

He concluded that the shift in the tax load to lower-income families is mainly a result of increases in payroll taxes and reductions in corporation income taxes and property taxes over the period. The individual and corporation federal income tax cuts passed in 1981 speeded up the downward shift of the tax burden, he pointed out.

Pechman's calculations were based on a range of assumptions that took into account many different methods of calculating the effect on income of different kinds of taxes—federal, state and local, corporate and property.

### Taxing load

The study showed that regardless of which assumptions were used, the trend toward a heavier tax burden on lower-income families held up.

Pechman's research also showed that the before-tax distribution of income among various groups has stayed about the same over the last 20 years, largely because of the nation's progressive system of federal transfer payments, such as social security and aid to poor families.

After taxes are taken into account, Pechman said, "the decline in the progressivity of the tax system" has led to a more unequal distribution of income now than two decades ago.

The situation would have been worse without the transfer payment system since it helped offset an increase in effective tax rates for lower-income groups brought on by the increase in payroll taxes and drop in the corporate tax rates, the data showed.

**Continued on Page 10**

## Incentives fail to encourage investments

**By David L. Perlman . .**

Reagan Administration "tax incentives" have rewarded companies that have done the least to expand and modernize while adding billions of dollars to the federal deficit.

The chief beneficiaries were stockholders who pocketed increased dividends made possible by tax advantages that were supposed to encourage investment in new plants and equipment.

That's the startling conclusion of a study of 238 major U.S. corporations by Citizens for Tax Justice. The study covers a three-year period after enactment of the package of business tax cuts that plunged the corporate share of federal tax revenues to a low of 6.2 percent by 1983.

### Key funding

Here are some of the findings of the study that was based largely on reports companies made to their own stockholders:

- The 50 corporations with the lowest tax rates—presumably the chief beneficiaries of the range of tax loopholes—actually reduced their new investment by 21.6 percent between 1981 and 1983.
- The 50 corporations that paid the highest tax rates—averaging above 33 percent—were the ones that increased their investment during this period.
- But it was the low-tax companies that stepped up their dividend payouts to stockholders the most. They increased their dividends at a pace more than 30 percent greater than the high-tax and high-investment firms.
- Overall, the 238 companies covered by the study enjoyed close to $90 billion in tax incentives over the three-year period, while reducing new investment by 15.5 percent and raising dividends by 17 percent.
- The five companies that enjoyed the largest tax subsidies over the 1981-83 period each cut investment and increased dividends. The companies were General Electric, Boeing, Dow Chemical, Tenneco and Santa Fe Southern Pacific. Together, they reduced investment by 29.8 percent, paid no federal income taxes, and received tax rebates of $1.1 billion on top of their $13.1 billion in domestic profits.

The authors of the study, Robert S. McIntyre and Dean C. Tipps, termed massive tax avoidance by corporations "an affront

**Continued on Page 10**

# *Trade deficit ravaging industrial jobs, output*

**By James M. Shevis**

The Reagan Administration's unwillingness to rein in the nation's soaring trade deficit is costing workers and communities jobs, income and industrial production, the AFL-CIO warned.

The 1984 deficit reached a record $123.3 billion, far exceeding the previous record of $69.4 billion in 1983, and it could go higher this year, the Commerce Dept. reported.

"In a very real way, these deficits describe a situation where the American economy is living off the production of other countries," Federation Research Director Rudy Oswald observed.

"By permitting their growth, we are mortgaging the future economic well-being of the American people. The short-term costs of these deficits are equally severe.

"Millions of jobs, particularly in manufacturing, have been lost or not created because of these unbalanced trade flows."

Analysts blame the overvalued U.S. dollar for much of the imbalance. Since 1980, the value of the dollar has risen by 41 percent against other major currencies, making foreign goods cheaper in this country and American wares more expensive and thus more difficult to sell abroad.

American exports last year increased a modest 8.7 percent, but imports shot up 26.4 percent. For manufacturing, the deterioration of the U.S. position was even more dramatic.

The United States recorded a manufacturing trade deficit of almost $89 billion in

**Continued on Page 3**

**LEGISLATIVE ALERT!**

PAGE 12

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2/2/85

# Conrail unions back Alleghany's bid

The nation's railway unions threw their support behind Alleghany Corp.'s proposal to buy Conrail, the government-controlled Consolidated Rail Corp.

The decision to support the $1.2-million bid by Alleghany, a New York holding company, was announced following a meeting of the Railway Labor Executives' Association. The RLEA is made up of 19 unions representing Conrail's 35,000 unionized employees.

Conrail is a quasi-government corporation that runs a 15-state, 15,000-mile freight line. It was formed in 1976 when the government took over the operations of several bankrupt northeastern railroads. The government owns 85 percent of Conrail and its employees own 15 percent.

RLEA Chairman Ole M. Berge, who is president of the Maintenance of Way Employes, announced at a Capitol Hill news conference that "railway labor is unanimous" in its endorsement of Alleghany, a company which has a long history of railroad involvement.

AFL-CIO Vice President Richard I. Kilroy, who is president of the Railway & Airline Clerks, said the unions arrived at their unanimous decision to back the Allegheny bid as "the only one we could all agree on."

Earlier, BRAC had supported a proposal made by Conrail management to offer the railroad's stock for public sale.

In addition to $1.2 million in cash for the freight line, Alleghany has offered to restore Conrail's employees to full industry wages. They are currently working for 12 percent less than the full rates as part of an agreement with the carrier to help it out of financial difficulties.

Alleghany also offered Conrail employees 35-percent ownership of Alleghany Corp., three seats on the Conrail board, and one seat on the Alleghany board.

Other finalists in the bidding are Norfolk Southern Corp. and an investment

**Continued on Page 2**

# *Mon Valley gains new hope for its steel industry*

Pittsburgh—The Steelworkers welcomed the results of a study that points out how one of this region's key steelmaking facilities can be saved from the wrecking ball by enlightened cooperation between labor, management and the community. The findings hold out new hope that thousands of jobs in steel and related industries in Pennsylvania's Monongahela Valley can be saved.

The feasibility study was commissioned by the USWA and released Jan. 28. It found that U.S. Steel's Dorothy Six blast furnace at its Duquesne Works not only could be revitalized, but also streamlined to become a primary supplier of semi-finished steel products capable of overcoming competition from imports. It all can be done, the study found, without cutting workers' wages or benefits.

The union commissioned the study by Locker/Albrecht Associates, Inc., in late 1984 after U.S. Steel announced it was shutting down most of the "hot end" of its Duquesne Works and scheduling Dorothy Six—the largest blast furnace in the Mon Valley—for demolition.

### A closer look

The union won a reprieve to Feb. 2, and U.S. Steel Chairman David Roderick now says the company will hold off its plans to destroy the blast furnace while taking a closer look at the study's findings.

Part of the cost of the feasibility study by the New York-based consulting firm was paid by the City of Pittsburgh and by Allegheny County.

USWA President Lynn Williams said at a press conference the preliminary results confirm the union's belief that Dorothy Six and other facilities can be saved.

"Although the study most directly affects the people of the Mon Valley and U.S. Steel," Williams said, "its results can have a profound effect on the entire industry, its customers and suppliers and for America's workers."

If Dorothy Six is destroyed, he said, as many as a million tons of semi-finished steel that could have been made there will be replaced by imports, and thousands of jobs will be permanently lost.

### Time, money, hard work

Williams said the revitalization of the facility would take "time and money and hard work" from all parties concerned, "the union, the company, the employees and the community. But it can and must be done."

The USWA has said it will go to court if necessary to block destruction of the works.

The union has asked the company to extend its deadline for demolition of Dorothy Six for a minimum of six months. Williams challenged U.S. Steel "to join the USWA in fighting imports with American workers' sense of skill and competitiveness."

"The Steelworkers have done their share and then some," Williams told reporters, pointing to conclusions in the study that Dorothy Six could again be made a going concern without wage cuts.

The union has also been cooperating in efforts to save the blast furnace—and steelmaking throughout the once-humming Mon Valley—with the Tri-State Conference on Steel. The group was launched in 1979 as a coalition of labor, church and community groups and local, state and national elected officials determined to fight the steady stream of plant closings—and the rising tide of unemployment—in the Mon Valley, the heart of the nation's steel industry.

In addition to its participation in the effort to save the Duquesne Works and other facilities, the group has called for the establishment of a "Steel Valley Authority" that could function as a broker to sell off unused facilities to other investors.

Another approach that could be called into play by local authorities is the principle of "eminent domain" that would let local governments acquire the threatened steel mills in return for "just compensation."

Williams pointed out that among the "most viable" options for revitalizing the Duquesne Works examined in the study are those "based on a significant ownership stake by the employees." He stressed that the workers "have a willingness to consider discussing employee ownership and involvement in any new enterprise."

### Company profits

At a separate news conference, U.S. Steel's Roderick announced that the company had posted earnings of $493 million in 1984 compared to a loss of $1.16 billion in 1983. The company's fourth-quarter profits last year were $29 million.

The closing of the Duquesne Works, where 2,000 workers were laid off, was one of a long list of shutdowns announced by the company in 1984 in what it billed as an effort to "streamline" its operations. Thousands of jobs were lost, and the Mon Valley was among the hardest hit areas.

The Tri-State Steel Conference estimates that in Pennsylvania, Ohio and West Virginia 70,000 of the 90,000 workers who held jobs in the recession and import-battered basic steel industry in 1979 are now unemployed. At least 20,000 of those are jobless Mon Valley workers.

But a major conclusion of the feasibility study suggests that the Duquesne Works can be revved up to compete efficiently with foreign steel for a growing U.S. market for semi-finished steel products.

### Upgrading possible

To compete, the study stressed, the United States must have efficient facilities. And the findings indicate Duquesne can be improved by such measures as the construction of a continuous caster for a fraction of the price tag of brand-new facility elsewhere.

The facility would have to reduce operating costs to be competitive, but those economies can all be achieved in "non-wage related areas," the study said. Although some staffing reductions would be necessary, as many as 600 jobs could be created.

The study also warned that if Dorothy Six and the "hot end" Duquesne Works are demolished, the damage to steelmaking in the Mon Valley and the eastern United States could be "irreversible." But if the furnace is successfully revived, it could be economically beneficial to the company in its operations throughout the region.

The study praised the workforce at Duquesne as "exceptionally skilled and highly motivated." Combined with "enlightened and innovative management," the report said, the works have the potential to be a going concern.



RLEA Chairman O. M. Berge, right, and Sec.-Treas. Richard I. Kilroy announce endorsement of Alleghany Corp. as prospective buyer of Conrail.

# Alleghany bid to buy Conrail supported by railroad unions

**Continued from Page 1**

group led by Washington hotel executive J. W. Marriott, Jr.

Conrail management, led by Board Chairman L. Stanley Crane, had hoped to get support from labor for his proposal of a public stock offering.

Transportation Sec. Elizabeth Dole, who had been awaiting labor's preference in the sale, depicted labor's choice of Alleghany as a victory for a private sale over the rival public offering proposal.

### Sec. Dole to act

The unions "clearly endorsed a private sale," she said, adding she "will take their recommendation into consideration." She is expected to announce her own choice and recommend it to Congress soon, possibly by the end of this week.

Kilroy pointed out that the railroad unions "would fight in Congress," however, if Sec. Dole's choice among the bidders is unacceptable.

Alleghany at one time was involved with the now-defunct Penn Central Railroad.

Alleghany President John J. Burns said, "We're happy with the news and are pleased with the support of labor."

Current law specifies that Conrail employees are to receive 15 percent of the carrier's stock by 1991 under an employee stock option plan. Thus the sale actually is for only 85 percent of the railroad.

Labor's preference came after a seven-hour meeting in which a five-member task force set up by RLEA to evaluate the prospective bids made its report.

The 19 unions belonging to the RLEA are the Train Dispatchers, Maintenance of Way Employes, Signalmen, Carmen, Railway & Airline Clerks, Hotel Employees & Restaurant Employees, Machinists, Boilermakers & Blacksmiths, International Brotherhood of Electrical Workers, Longshoremen, Marine Engineers' Beneficial Association, Yardmasters, Sheet Metal Workers, Seafarers, United Transportation Union, Transport Workers, Masters, Mates & Pilots, the American Railway & Airways Supervisors Association, a division of BRAC, and the unaffiliated Locomotive Engineers.

# Suit by Service Employees charges asbestos 'coverup'

The Service Employees accused the Environmental Protection Agency of continuing a historic pattern of "covering up" asbestos dangers and filed a federal court suit to force the agency to strengthen its asbestos-in-the-schools program and extend it to all public and private buildings.

SEIU President John J. Sweeney said upon filing the suit, "Scientists, medical experts, asbestos manufacturers and the government have known for 50 years that asbestos is a highly dangerous carcinogen and for all those years there has been an effective coverup of the truth."

"EPA officials know their program isn't working and they know the risk to school children and school workers is much greater than originally estimated," he said. "Yet the agency has made a political decision to hide the facts and continue the asbestos coverup."

Sweeney backed up his charges with internal EPA memoranda showing concern that the agency's current asbestos program may be increasing the risks to children and workers in the schools because of a lack of guidelines and performance standards.

At present, EPA requires only that schools inspect for friable (flaking) asbestos and report the results of those inspections to parents, teachers and school employees. There are no abatement requirements and no regulations on how local school systems should proceed with abatement.

The lawsuit, filed in the U.S. District Court for the District of Columbia, follows from EPA's denial in November 1984 of an emergency petition by SEIU for stronger performance standards for abatement, including standards for protecting workers involved in the abatement activities.

### Federal action needed

Sweeney scored the Reagan Administration's belief that there should be no federal regulation on asbestos abatement. He said, "Our union believes the federal government has a constitutional as well as a congressional mandate to provide federal regulation and enforcement when confronted with a problem of this magnitude."

The lawsuit noted that the EPA is hailing the success of its program even though its own survey found in 1980 that three million students were being exposed to friable asbestos in some 14,000 schools. Its latest survey estimates that asbestos is a problem in more than 30,000 schools and "this means 15 to 16 million kids as well as up to a million teachers and school workers are potentially being exposed," the union said.

The SEIU represents some 85,000 school, custodial and maintenance workers.

# CWA asks low-income phone rates

The Communications Workers and a coalition of consumer, senior citizen, religious and public interest groups are pressing for legislation to assure basic telephone service for low-income households.

Legislation introduced in the new Congress by Rep. Mickey Leland (D-Tex.) with 17 cosponsors would set up a fund to help meet the cost of "lifeline" local phone service for the elderly, poor and jobless. It would be financed by a small surcharge on interstate long-distance telephone service.

At a news conference on the introduction of the bill, CWA Legislative Rep. Leslie Loble said the combination of divestiture and deregulation of the telephone industry has profited large business users but penalized "virtually everyone else."

The CWA statement stressed that "telephone service can be a life-and-death matter," as the union's members who handle emergency calls daily can testify.

While divestiture can't be undone, universal service can be maintained through action by Congress, the states and the FCC, the union statement urged.

At the Capitol Hill news conference, participants cited a recent study showing that some 750,000 households have been forced to give up telephone service since divestiture of the Bell System and AT&T sent local phone bills skyrocketing.

## Voluntary restraints

# Kirkland asks renewal of auto import curbs

American labor expressed sharp criticism to both the Reagan Administration and the Japanese government over proposals to end a four-year Voluntary Restraint Agreement (VRA) on Japanese auto imports, warning of the high cost in American jobs if the quotas are lifted.

"Should the VRA not be continued, the bilateral trade deficit with Japan is certain to become even worse," AFL-CIO President Lane Kirkland stressed in a letter to Sec. of State George P. Shultz.

With its current bilateral trade deficit with Japan at about $37 billion, Kirkland warned, "our nation faces a problem that is getting worse rather than better." He acknowledged the complexities involved in the issue, but pointed out that as the trade deficit escalates, "so does the friction between the United States and Japan."

In 1984, well over half the $37 billion deficit with Japan was attributable to auto imports.

On a recent visit to Washington, leaders of Japan's ruling Liberal Democratic Party told Reagan Administration officials there would be no surge in exports if the quotas are removed.

But Auto Workers President Owen Bieber challenged those statements.

### Incredulous remarks

In a letter to Susumu Nikaido, LDP Vice Chairman who headed the Japanese delegation, Bieber said the UAW is "incredulous" over his remarks in Washington that Japan's manufacturing capacity limits exports to the United States to 2.5 million cars. Even at that, 2.5 million is 650,000 more than the limit in the VRA that has been in effect for four years.

"An increase to 2.5 million would result in more than a $25-billion bilateral auto deficit with Japan for our country," Bieber wrote Nikaido.

"It would contribute to an overall trade deficit costing America hundreds of thousands of jobs. There is absolutely no way this trade imbalance that causes such dislocation here can be tolerated."

Kirkland, in Tokyo for the 16th annual meeting of the Japanese Confederation of Labor (Domei), asked Prime Minister Yasuhiro Nakasone to continue the auto export restraints.

In his letter to Shultz, Kirkland said lifting the VRA "can be expected to result in . . . an imbalance that probably would exceed hoped-for gains resulting from the open market initiative you will be seeking." Shultz is embarked on an effort to win greater access to certain Japanese markets.

Kirkland said that allowing the U.S. auto deficit with Japan to climb above the 1984 level of $19 billion is "unacceptable." He said allowing the VRA restraints to expire on Mar. 31 as scheduled would permit a flood of imports" that will cost the jobs of about 200,000 workers in auto and related industries in the first two years."

### More jobs lost

Japan's market share would soon rise to 40 percent or more "and even more American jobs would be lost," Kirkland predicted.

Nikaido was quoted as saying that if auto exports to the United States jumped too high upon removal of the VRA, the Japanese government would intervene. But Kirkland scoffed at this. He wrote Shultz:

"It is doubtful that the Japanese government could enforce restraints on its competitive auto industry without the U.S. government instructing them . . . on what level of car imports would be acceptable.

"In addition, the lack of a VRA could open up the possibility of antitrust suits being brought by U.S. import dealers or others."

Bieber, contradicting the view of the visiting Japanese, said in his letter to Nikaido that Japan's auto industry has the capacity to produce an additional 2 million cars a year or more.

"Any suggestion that the Japanese automakers would be unable to exceed 2.5 million is totally unfounded," he said. "With virtually every other auto-producing nation in the world limiting Japan's access to their market, the United States would become the dumping ground for that excess capacity."

### No permanent barriers

Bieber reiterated the position he expressed last April in a visit with Nakasone in Tokyo that the UAW does not want to see permanent barriers erected that would be harmful to the two countries, a concern that Kirkland also expressed in his letter to Shultz.

But, he said, there are three factors that must be addressed successfully before restraints can be lifted on the import quotas.

- The dollar and the yen must return to some semblance of balance. With the exchange now at 255 yen to the dollar, up from about 200 when Reagan took office, Japan enjoys a $1,500 cost advantage on a $6,000 car here.
- Action is needed to redress the current imbalance caused by Japan's lifting of its commodity tax on exported vehicles.
- Continuation of the VRA should be on a multi-year basis, rather than the current annual basis, until Japanese automakers achieve sufficient investment in the United States.

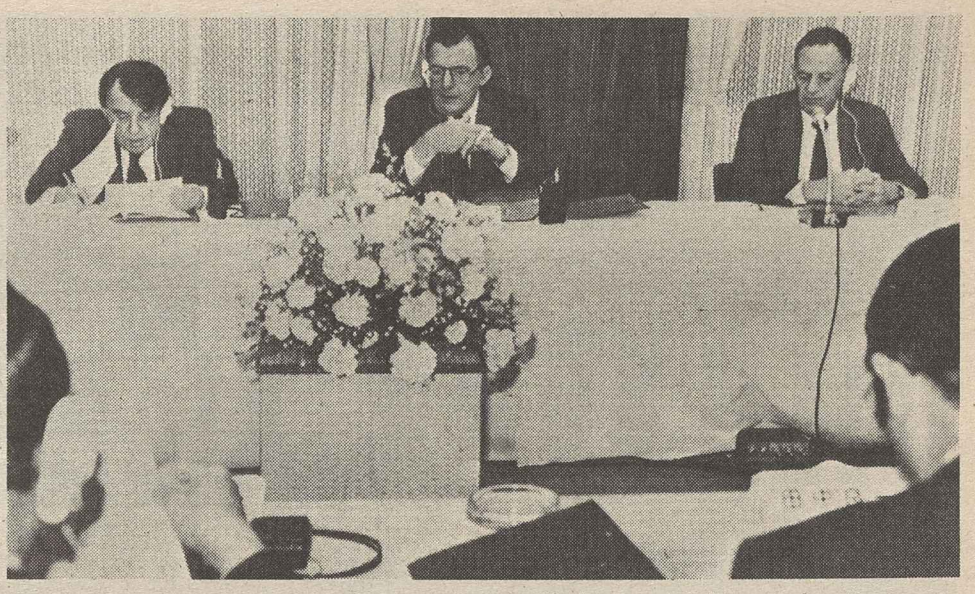
## Conventions

The Woodworkers 1985 convention will be in Portland, Ore., Apr. 20-26.

The Oil, Chemical & Atomic Workers convention will be in Denver Aug. 19-23.

The Police Associations convention has been rescheduled to July 22-24 in Tacoma, Wash. It was previously scheduled for July 15-17.

The Arkansas State AFL-CIO convention will be June 3-5 in Hot Springs.



AFL-CIO representatives meet in Tokyo with the leadership of the Japanese Confederation of Labor (Domei) for an exchange of views. President Lane Kirkland, his executive assistant Kenneth Young, right, and International Affairs Director Irving Brown represented the federation.

# Shanker presses upgrading of teaching standards, pay

Higher teacher standards and higher teacher pay will mean a better education for the nation's children, American Federation of Teachers President Albert Shanker said.

Shanker's speech to the National Press Club urged a professionally rigorous national examination for licensing new teachers—comparable to the tests now in effect for the right to practice medicine or law.

Most current teacher examinations test only minimal competency, and that isn't enough, he stressed. Teachers have to be "smarter than students."

New teachers should be tested on the subject matter they will be teaching as well as their knowledge of teaching methods, the AFT president urged. He proposed an internship of one to three years for beginning teachers since "practice and performance is as important as intellectual knowledge."

The higher standards that would be required would need and justify fully professional salary levels, Shanker said. The relatively low salaries for teachers constitute the biggest barrier to upgrading standards, he suggested.

Shanker urged a single national passing score for teacher certification, with standards set by a board of education experts.

Teachers are entitled to the pay standards accorded professionals in other fields, Shanker said. And parents and children are entitled to the high standards that should go with professionalism.

If nothing is done, he warned, low pay will bring about a teacher shortage that many states will meet simply by hiring less qualified teachers.

# Economic indicators flash new warnings of slowdown

The index the government uses to predict the course of the economy in the months ahead set off flashing alarms as it posted its fifth decline in seven months.

Its clear warning was that the economic slowdown that has dulled the recovery since mid-1984 is still troublesome.

Some analyists had hailed November's reported rise of 1.3 percent in the index of economic indicators as evidence that the economy was back in an up cycle and had predicted a further healthy increase in December.

Instead, the December index showed a decline of two-tenths of 1 percent and the Commerce Dept. revised its November figures sharply downward to show an increase of six-tenths of 1 percent, less than half the original projection. That left the index as of December just barely above the same month a year earlier. The strong gains in the first half of 1984 were largely wiped out by summer's steep decline.

Some of the signals were mixed.

Orders to factories for durable goods fell 2.1 percent in December, the third decline in four months. But they ended the year with a 14.9-percent gain, reflecting two successive years of strong recovery from recession.

Business productivity for 1984 increased 3.1 percent, considered a good showing despite the slip from 3.5 percent in 1983. But it rose at a rate of only 1.7 percent in the fourth quarter of the year.

Machine tool orders, which reflect manufacturing modernization and expansion, are up from the previous year but have been on a relative plateau for the past nine months. But an increasing percentage of machine tools ordered by U.S. companies are imported, reflecting the overvaluation of the dollar which makes U.S. goods more costly to foreign buyers and imports cheaper for American purchasers.

A private sector forecaster, F. W. Dodge Co., reported that new construction contracts decreased 6 percent in December on a seasonally adjusted basis. But the 1984 totals were up 8 percent from the previous year.

Over the year, the total compensation cost of wages, salaries and benefits rose by 5.2 percent, down from 5.7 percent in 1983 and 6.6 percent in 1982, according to Bureau of Labor Statistics reports.

There were significant differences within that statistic, however. The employment cost index for private-sector workers rose 4.9 percent over the year while state and local government employment showed a 7.1 percent increase. School system increases paced that category.

# *Trade deficit ravages jobs, communities*

**Continued from Page 1**

1984, more than double the 1983 level. As recently as 1980, the nation showed a surplus of more than $12 billion in this important sector of the economy.

In 1984, imports of clothing shot up by 22 percent, machine tools 29 percent and iron and steel mill products 61 percent. Similar large increases were posted for electrical machinery, telecommunications equipment, transportation equipment, and a whole range of goods essential to the economy.

The nation's trade deficit with Japan alone was $37 billion, $11 billion with Taiwan, and $13 billion with members of the European Economic Community.

It has been estimated that for each $1 billion in trading deficit some 25,000 U.S. jobs are lost.

Auto Workers President Owen Bieber has warned that the flood of imports from Japan "will quickly become a tidal wave" if the Administration allows the Voluntary Restraint Agreement (VRA) on Japanese automobile imports to lapse after March.

"The trade deficit — particularly with Japan — is already a national disaster," he declared. "With more than half of the $36.8 billion (deficit with Japan) attributable to the auto sector, it is difficult to imagine that the Administration would let the VRA lapse, permitting last year's figure to soar by an additional $5 billion or more."

### Footwear impact

The domestic footwear industry, also hard-hit by imports, noted that foreign-made shoes captured 72 percent of the U.S. market last year.

"Almost three-fourths of the shoes sold in this country were made somewhere else," the Footwear Industries of America said. "Yet our own factories shut down at the rate of one every four days last year, and almost 11,000 workers lost their jobs.

Oswald noted that the value of the dollar has risen by more than 70 percent against the currencies of U.S. major trading partners since July 1980. The effect, he said, "is no different than a 70-percent tax on U.S. exports and a 70-percent price advantage for imported goods."

Commerce Sec. Malcolm Baldridge estimated that "resumed growth in the economy and the continuing impact of the dollar's rise during 1984 indicate higher imports in the months to come and another record trade deficit for 1985."

There was a slight narrowing of the trade gap in the fourth quarter of 1984, the Commerce Dept. reported, as the annual rate of the deficit eased to $109 billion from $146 billion in the preceding quarter.



# Prime architectural design

Machinists Placid Harbor Education Center in Hollywood, Md., won the American Institute of Architects honor award at the AIA Virginia Society's annual convention. The design was selected from among 86 entries. The contemporary three-level building overlooking the Patuxent River was praised for its "interpretation of a southern plantation-style architecture." The designs are judged on usefulness, lasting qualities and aesthetics.

# *NLRB policy switch limits union access to workplace*

President Reagan's National Labor Relations Board has raised another barrier to the exercise of workers' rights under federal law by imposing new limits on a union's ability to gather information within the workplace.

The board ruled for the first time that a union's duty to represent its members must be weighed against an employer's property rights in determining whether to grant access to the workplace. The decision also overruled previous cases where the union's request for access was held to be equivalent to a request for information and granted.

The NLRB's decision involved Electrical Workers Local 455's unfair practice charge against Holyoke (Mass.) Water Power Co. for denying a union hygienist access to a fan room at the company's Mt. Tom power station to measure noise levels.

Board Chairman Donald Dotson and Members Robert P. Hunter and Patricia Diaz Dennis agreed with the company's contention "that an employer's right to control its property is a factor that must be weighed in analyzing whether an outside union representative should be afforded access to an employer's property."

### Unfair practice

In January 1983, Local 455 asked that its industrial hygienist be given access to the fan room. The company denied the request, instead giving the union general information on noise levels in the plant. After the union filed its unfair practice charge with the NLRB, Holyoke Water Power Co. provided it with the results of noise level tests conducted by a company supervisor.

NLRB Administrative Law Judge Martin J. Linsky held that the company's refusal to grant access to the union amounted to an illegal refusal to bargain. He rejected the company's contention that access to the plant was not relevant to the union's duty to represent its members. Linsky noted that health and safety conditions are terms and conditions of employment and, therefore, "the employer is obligated to bargain upon request."

The board rejected Linsky's analysis that the union is entitled to access if it is shown that the information sought is relevant to the union's representation duties.

### Conflicting rights

"We disagree that that alone obligates an employer to open its doors. Rather each of two conflicting rights must be accommodated," the board said.

In making that determination, the NLRB kicked open the door for every union access case to be contested through to a full board ruling.

"Where it is found that a union can effectively represent employees through some alternate means other than by entering on the employer's premises, the employer's property rights will predominate and the union may properly be denied access," the board ruled.

It added that "the circumstances presented in each case involving a request for access must be carefully weighed, and each of the conflicting rights must be carefully balanced and accommodated in reaching a decision." The board said it will analyze all future cases "in this fashion," and added it was overruling "those prior board cases . . . to the extent that they set forth an inconsistent analysis."

### Access granted

In the Holyoke case, the NLRB decided that Local 455's request for access should be granted. It rejected the company's contentions that allowing the union hygienist on its property would interrupt production and that it had given the union enough information on fan room noise levels.

The board noted that the fan room, which the company agreed was noisy, "is not a production area and no employees work there full time." Mechanics and maintenance personnel are required periodically to work in the fan room.

The NLRB also held that the noise level tests conducted by a supervisor who was not an industrial hygienist did not provide the union with the type of information it was seeking.

In permitting access to the fan room, the NLRB modified the law judge's order to provide that "access be for a reasonable period sufficient to allow the union hygienist to fully observe and survey noise level hazards." The board rejected the union's appeal that the ALJ's decision be modified to allow plantwide access.

# Pilots win order for arbitration of Continental claims

Houston—The owner of Continental Airlines has been ordered by the U.S. District Court here to accept arbitration of damage claims filed by the Air Line Pilots following the carrier's 1983 bankruptcy and its abrogation of the union's contract.

In its decision, the court ruled against Texas Air Corp. (TAC), Continental's owner, which had tried to have the issue settled in bankruptcy court. TAC had vigorously opposed arbitration of the millions of dollars in damage claims.

In August 1982, the ALPA signed a labor contract that gave Continental major cost concessions. In return, TAC—the parent corporation—agreed that it and all its subsidiaries, including Continental, would observe all terms of the contract for the life of the agreement. Any disputes were to go to a neutral arbitrator.

When Continental filed for bankruptcy and rejected the pilots' contract, TAC became liable by refusing to arbitrate.

In its Jan. 23 decision, the federal court held that the bankruptcy court has no jurisdiction over the case, and ordered that the dispute be arbitrated.

In a separate action, the public debt committee of Texas International Airlines, Inc., composed of holders of notes and debentures now in default as part of the Continental bankruptcy, filed suit Jan. 24 in the Houston Bankruptcy Court against TAC, Jet Capital Corp., Frank Lorenzo and Robert Carney, all involved in the corporation.

The suit leveled charges of insider trading, breach of fiduciary responsibility, breach of covenants, defrauding creditors, and other financial double-dealings.

# Average wage gain lower in '84 contracts

Major collective bargaining contracts negotiated during 1984 yielded increases averaging 2.4 percent in the first year of the agreements and 2.3 percent annually over the life of the pacts, the Bureau of Labor Statistics reported.

Just over three-fourths of the workers covered by the settlements had wage gains averaging 3.8 percent in the first contract year, nearly 20 percent had no wage change, and the remainder took pay cuts.

"Developments that were noted in 1982 and 1983 persisted through 1984, and helped dampen specified wage adjustments during the year," BLS said in reporting trends in 539 contracts covering some 2.3 million workers last year. The agreements are for workers in bargaining units with at least 1,000 members.

The pattern of restraint began in 1982, when the Reagan recession led to concession bargaining in key sectors of the economy. Narrow construction wage gains helped to hold down last year's averages.

While the 5 percent of all employees who received decreases under last year's contracts held down the average gains, AFL-CIO Research Director Rudy Oswald noted that "the typical worker—three out of four—still netted an average increase that was above the average price increase" for the year.

As measured by the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), prices rose an average 3.5 percent in 1984.

### Industry problems

"What the report shows is that there are still serious problems in particular industries and that's where the cutbacks occurred," Oswald said.

First-year increases negotiated last year compared with first-year gains of 2.6 percent in 1983 and 3.8 percent in 1982. The average annual increase of 2.3 percent over the life of the pacts compared with 2.8 percent in 1983 and 3.6 percent in 1982.

A separate BLS measure showed that in key contracts—those covering at least 5,000 workers—total compensation, or wages and fringe benefits combined, rose by an average of 3.6 percent in the first contract year, compared with 3.4 percent in 1983. Over the life of the contracts, the average increase was 2.8 percent annually compared with 3 percent in 1983.

In its report on gains under contracts covering 1,000 or more workers, BLS noted that wage increases in 1984 construction settlements averaged five-tenths of 1 percent in the first contract year and 1 percent a year over the life of the agreements.

The bureau noted that lump-sum payments went to about 700,000 workers in 37 contracts settled last year. Lump-sum payments do not affect future paychecks and are excluded from all wage and benefit measures in the BLS series.

# Job security viewed as major issue

Job security has emerged as the key issue for a large segment of American workers in the aftermath of the Reagan recession, a survey by the AFL-CIO Industrial Union Dept. shows.

In an analysis of 100 major union contracts covering a wide range of industries, the IUD found that 75 percent of the 1984 agreements contained some provision to strengthen worker protection for technological change, work transfer or plant closings.

Seventy percent of the surveyed contracts contained limits on subcontracting and over half called for severance pay, with increased emphasis on provisions such as workers' rights to in-plant transfers as a response to layoffs and shutdowns.

The survey, carried out by IUD's research department, is the ninth in a series of biennial studies of contracts in major U.S. industries. The analysis examined firms in 37 industries, ranging from apparel and textiles to transportation, mining and building maintenance.

In the last such survey, cost-of-living protection emerged as the top issue.

IUD President Howard D. Samuel told a news conference the study reflects agreements negotiated during a period in which unions were perceived to have lost ground in contract bargaining, but actually held their own and posted increases in many non-monetary benefits.

### Workers' interests

"There is no question that American industry has problems," Samuel told a press conference, "and there is no question that we are willing to work with management to keep American industry alive. But we have a primary obligation to represent the best interests of our members, and this study shows that we have, in fact, been successful in doing so."

IUD is made up of 55 affiliated unions, representing more than 5.5 million members. The surveyed agreements for the most part were in the industrial sector and negotiated by IUD affiliates. They were largely concluded in 1984. In each case, the contracts were selected because they have tended to be bellwether agreements within their respective industries.

The survey includes a new section on occupational health and safety, reflecting increased attention to this area of bargaining in the recent past.

IUD Research Director Richard Prosten noted that 84 percent of the surveyed contracts contained language on health and safety matters.

Other findings of the survey showed that union security remains a high priority for union bargainers. The 1984 analysis showed a slight increase in union shops, up to 63 percent of the total from 61 percent in the last two surveys.

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# A Keyhole View: The Press and the Campaign

**By Murray Seeger**

In Cleveland, where I learned the most about being a reporter, we called it the "up-one-side-of-the-mountain-down-the-other-school-of-journalism." The reporters who engaged in this art form had to be equipped with exceedingly short memories, lack of historical perspective and iron constitutions which enabled them to contradict themselves within a few weeks.

One of the rules James W. Collins, the legendary city editor of the Cleveland Plain Dealer, taught his troops was to beware of being too sure of their conclusions.

I thought about these lessons from my journalistic past as I watched the unfolding of the 1984 presidential election campaign. After 30 years of writing about politics from the outside, I watched the 1984 campaign unfold from the inside. This was a narrow perspective, to be sure; a sort of keyhole view since it came from the position of organized labor, specifically the American Federation of Labor and Congress of Industrial Organizations.

I joined the AFL-CIO staff in January 1982, just in time to witness the federation's historic decision to endorse a candidate for the Democratic nomination before the party convention. As a newspaper junkie, I expected the campaign to be an exciting experience. It was, but it was also a revealing experience. I discovered failings of the press—print and electronic—far beyond what I had learned from three decades as a practitioner.

I am troubled by the ignorance, arrogance and plain foolishness I found in dealing with reporters. I am appalled at the laziness, lack of curiosity or enterprise and continued herd-mentality of so many reporters.

Two phenomena particularly impressed me: the very deep impact television has made on all reporting in the last decade and the mesmerizing effect public opinion polls now have on journalists.

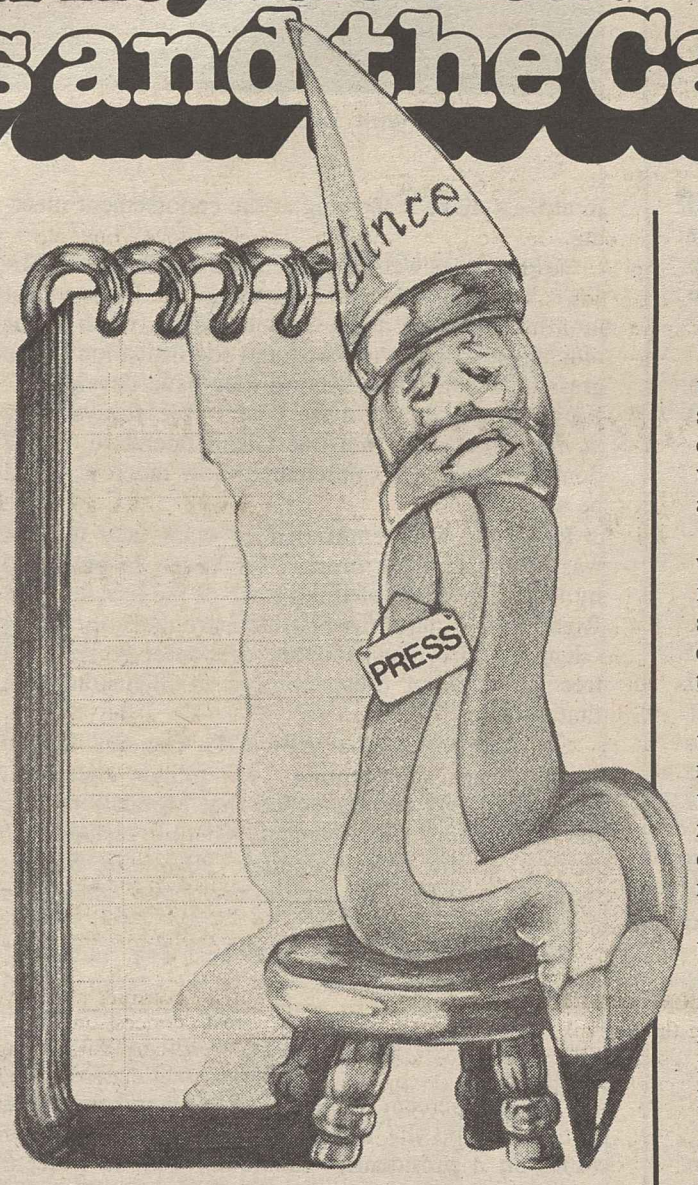
My portion of this year's political merry-go-round started early in 1982, shortly after I crossed the street from the sunny reporter's side to the shady flack's side. Lane Kirkland, president of the AFL-CIO, started things with an interview with Jack Germond and Jules Witcover, the columnists, where he said he was considering asking the AFL-CIO Executive Council to attempt a consensus endorsement of a Democratic presidential candidate before the 1984 convention.

The Executive Council, at its meeting in May 1982, discussed Kirkland's suggestion and went a step farther than he expected. The council voted unanimously to ask the federation's member unions to desist from any presidential endorsements until the federation, itself, explored the possibility of a unified position.

A few days later, David Broder wrote in the Washington Post that it was not clear that the AFL-CIO could find a consensus: "But the very existence of the Kirkland plan changes the dynamics of the Democratic contest in fundamental ways."

"No one can ignore—or discount—a pre-primary endorsement by the AFL-CIO," Broder went on. "Union members surely will not vote as robots for the endorsed candidate. But the endorsement carries with it not just blessings and good will, but money and propaganda and a ready-made campaign machine in every state."

The federation's endorsement convention, he continued, would be "at least as important" as the Iowa Democratic caucuses or the New Hampshire primary, the first two hurdles in the 1984 race for the nomination.




"Candidates—and reporters—will have to learn as much about the internal dynamics of a big UAW local in Dearborn or AFSCME in New York City as they do about the characters in Black Hawk County, Iowa, or Dade County, Fla.," Broder added.

The political expert noted that Sen. Edward F. Kennedy and former Vice President Walter F. Mondale were the "main contenders" for the endorsement but that Sens. John Glenn and Alan Cranston would have "leverage" on the decision because of the heavy union membership in their home states.

Oddly, few reporters paid heed to Broder's sound advice. A conventional wisdom developed that this endorsement was just a publicity gimmick to puff up the failing political prestige of the labor movement. Several reporters scoffed that the federation would never be able to decide between Mondale and Kennedy and that, therefore, we were engaged in an exercise in futility.

Reportorial interest picked up in August 1982 when the Executive Council interviewed two candidates, Glenn and Sen. Gary Hart, in New York City. Germond and Witcover explained the reasoning in a November column:

"There already is talk of endorsing Kennedy and Mondale, and that would mean no advantage for either in union money or manpower. And there is the possibility that other candidates might get enough support to deny anyone Big Labor's endorsement."

Since a split endorsement was exactly what Kirkland was trying to avoid, this item must have been inspired by sources less than well-informed. The entire strategy was to avoid the kind of split in the ranks labor suffered in 1980 when some unions supported Jimmy Carter for re-election and others wanted to dump him in favor of Kennedy.

This first wave of conventional conclusion-making ended abruptly in December when Kennedy took himself out of contention for the 1984 nomination. Suddenly, for reporters and the other Democratic contenders, labor's endorsement took on new meaning.

The new tack suggested that the endorsement would be a negative for the candidate who won it. "It is probably no coincidence that the warnings of the 'perils' of winning the AFL-CIO endorsement started coming shortly after Sen. Ted Kennedy, one of labor's all-time favorites, announced that he would not seek the Democratic nomination next time around," Germond and Witcover wrote.

"But, with Kennedy out, the prospect that there will be an endorsement increases with Mondale, the favorite, as of now, to be the recipient. . . . It's not surprising then that other 1984 aspirants might be questioning the endorsement's worth—while hoping to get it."

Sens. Cranston and Ernest F. Hollings met with the Executive Council in Bal Harbour, Fla., in February 1983. Kirkland urged the union presidents to take wide soundings among their members before making any conclusions about candidates. The officers agreed to make no individual union endorsements before the next council meeting in May.

Former Florida Gov. Reubin Askew appeared at that May meeting, but reportorial interest in the process was at a low ebb. Although the council meeting was held near the Baltimore airport, a 45-minute drive from Washington, only the hard-core reporters covered it. The negative theme was still playing.

"There is an opportunity for one of the Democratic contenders for President to seize the initiative in the current campaign for the nomination," Steven Stark, Carter's issues director in his 1976 campaign, suggested in a New York Times opposite-editorial page article.

"Although at first it might seem crazy, the candidate with the imagination and courage to declare that he won't seek organized labor's endorsement could propel himself to the nomination and the White House."

Of course, all the candidates in the running were seeking the endorsement except Askew. But he, too, assured the Executive Council he wanted labor's support without a formal endorsement.

Stark was one of the first commentators to attach the term "special interest" to the labor movement, a theme that was to emerge more clearly as the campaign progressed. We were not without defenders, however.

## 'A political ten-strike'

"The AFL-CIO's decision to consider endorsement in the primary process has turned out to be a political ten-strike," Ben J. Wattenberg, the neo-conservative Democrat, wrote in The Washington Post. "Proof: a year ago it was said that labor's clout was gone; now, it's said labor has too much clout."

Leon G. Billings, former director of the Democratic Senate Campaign Committee, put it this way in the Post: "Now, suddenly, someone has turned a page of the book on politics when I wasn't looking. Political columnists and former campaign managers tell me that working people, blacks and women, are not constituencies of the Democrcatic Party but special interests, and that concern for them makes a Democratic candidate a captive of special interests. . . . It is hogwash. . . ."

Robert Shogan of The Los Angeles Times and pollster William Schneider put together a long analysis which thoroughly trashed the federation's program.

"Question: What presidential candidate wants the endorsement of an organization whose leadership's reputation for rectitude rates twenty-third among twenty-four occupations, ranking higher only than

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*This article first appeared in the Winter 1984 issue of Nieman Reports, quarterly publication of the Nieman Foundation, which sponsors Harvard fellowships for journalists. The author, a Nieman fellow in 1962, is director of the AFL-CIO Dept. of Information.*

car salesmen?" they asked in Public Opinion in June. (The same article ran in The Los Angeles Times.)

"Answer: Walter Mondale. Also, in alphabetical order, Alan Cranston, John Glenn, Gary Hart and Ernest F. Hollings."

Of course, the data they quoted never asked how the public rated the President of the AFL-CIO, or other union leaders by name and union. They simply grouped all union leaders together, the great and the weak, the indicted and the most respected.

Shogan and Schneider acknowledged that 65 to 80 percent of the sample asked said labor's endorsement would not change their votes.

And they admitted that the public took a negative view of endorsements by 17 of 19 political action committees—only the environmentalists and consumer groups got positive ratings. They also agreed that unions have high public standing for what they do to improve the working lives of millions of Americans.

In the end, Shogan and Schneider concluded: "In simplest terms, most citizens think organized labor is fine as long as it stays in its place—the workplace."

Lou Harris, in a poll for Business Week published in 1984, pointed out that the low public esteem for union leaders has not changed in a decade. On the other hand, "Americans to an amazing degree have mainitained a 'positive view' of unions, says Harris," Business Week reported.

Shogan and Schneider erred in their conclusion because they did not understand that the AFL-CIO's activity would be confined to the ranks of the membership of its 96 unions.

## An unanswered question

A legitimate question never answered was why the writers did not explore in the same detail the potential effects of endorsements by the National Association of Manufacturers, the U.S. Chamber of Commerce, National Rifle Association, National Association of Real Estate Boards and other groups that generally work the right wing of politics and which are generally seen by the public to be "special interests."

All of this research did not explain why each Democratic candidate asked to be heard by the AFL-CIO leadership. "It is not compulsory, you know," Lane Kirkland told reporters.

The negative idea had been planted, however, and it was to persist through the agonizing nomination struggle of the first half of 1984. At the same time, some reporters questioned labor's wisdom in favoring Mondale over the apparent strong position of Glenn in public opinion polls.

A New York Times/CBS survey published in July 1983 showed Mondale preferred by 34 percent of the Democrats and Glenn by 32 percent. Hart, at that time, got only 1 percent support.

At a meeting of the Democratic National Committee in Detroit that month, Mondale said he was offended by criticism of his labor support. "Since when is it a special interest to be for organized labor?" he asked. Glenn said he, too, was seeking labor's endorsement and thought, "it is not a kiss of death."

Alan Baron, the political analyst, told The Wall Street Journal that labor should not choose between candidates but should "be in more than one camp."

The news focus moved quickly to Boston in August 1983, when the Executive Council decided to set the date for making a formal presidential endorsement to coincide with the federation's biennial convention scheduled for October. Most observers had expected the endorsement to be made in December.

Reporters interpreted the decision as an indication that Mondale was the heavy favorite to be endorsed. However, the reporters continued to think that Glenn was the chief challenger when, in fact, only Cranston among the other hopefuls had any support within the council.

A typical commentary was written by Don Campbell in USA Today: "There's no denying that the 23-6 vote by the AFL-CIO Executive Council to advance its endorsement of a candidate from December to October will give the recipient, presumably Mondale, an important organizational advantage.

"It could mean maybe $20 million worth of help in voter identification and registration, computerized 'personal' communications, from labor leaders, get-out-the-vote drives, etc."

That dollar estimate for the value of labor's campaign was plucked out of thin air by Glenn who happened to be campaigning in New England when the council met. He had paid little attention to the endorsement's value until that meeting when he sent some staff members to express his belated concern. Glenn told reporters he was now going to take his case to the rank-and-file union members in order to at least make a showing at the endorsement meeting.



Lane Kirkland with reporters during campaign. Information Director Murray Seeger is at left.

"Glenn aides were surprised and awed at an AFL-CIO Executive Council meeting in Boston last month, according to several of them, when labor officials described the scope and sophistication of the grassroots political operation they have developed," Kathy Sawyer wrote in the Post. " 'We always knew it was important,' said one Glenn operative, 'but I don't think we ever anticipated' how much it would be worth."

Reporters were enthralled by what they thought was strong popular support for Glenn in polls and by the likely effect of the release of the movie, "The Right Stuff," about the original astronauts, including Glenn. No previous candidate ever received so much free publicity for doing nothing as Glenn did with that movie.

On October 1, the AFL-CIO General Board, casting votes representing 14.7 million members, overwhelmingly recommended that Mondale receive the federation's endorsement. Glenn received 3.3 percent of the votes, Mondale 90.7 with the remainder cast for "no endorsement" or "abstained at this time."

The New York Times, the next day, published one of the oddest poll analyses of the season. It had found that among AFL-CIO union members, Mondale was preferred by 30 percent and Glenn by 27 percent.

"Seventy percent of the AFL-CIO members polled last week said the leadership had not sought their views on a presidential candidate, and 23 percent said they had been consulted," Joseph B. Treaster wrote.

If this were true, about 3.4 million union members had been asked about their political preferences before the endorsement was made. This would constitute one of the largest public opinion samples ever made. All the major pollsters, including the Times/CBS, base their conclusions on samples of about 1,500 individuals out of the entire U.S. population. Still, it was suggested that since 70 percent of union members had not been surveyed, somehow the AFL-CIO unions failed.

It turned out, of course, that it was the Times and CBS that failed. Their sample of union members had been extrapolated from a national population sample and, therefore, did not conform to the specific demographic profile of the labor movement.

The poll contacted only 162 union members of whom 81 were Democrats. From that sample, the Times and CBS drew a series of conclusions about the labor movement. The professional pollsters we conferred with called the Times/CBS work "shoddy."

Still, many reporters, notably Irving R. Levine of NBC, scoffed at the convention decision as unrepresentative. The fact that all of the major unions of the federation had conducted some kind of membership sampling, including professional polling and complete membership surveys, cut no ice with critics.

Frank Van Ripper, writing for the Cox Newspapers, referred to the Times/CBS poll as proof of Glenn's charges that the AFL-CIO endorsement would not pass the "smell test." The poll seemed tailor-made for Glenn to charge that Mondale was the handpicked choice of the labor bosses—a rap no Democrat wants these days if he expects to win a general election."

The "kiss of death" theme was muted during the early winter except for an occasional barb thrown by Jesse Jackson. Blacks, Hispanics and women "don't have a snowball's chance of being heard" by the federation's leadership, he said in November. Naturally, Jackson did not recount that before the AFL-CIO meeting he, too, had met with Kirkland.

The AFL-CIO leader offered to call an extraordinary meeting of the Executive Council to hear Jackson before the convention. But Jackson said he had not yet decided if he were going to be a candidate.

By January, the autumn soar of Glenn had turned into a tailspin. The Times/CBS survey published in late January showed Glenn tied with Jackson with support of 14 percent of registered Democrats while Mondale had 44 percent. Hart ranked with the other candidates below 4 percent.

Most interesting in that poll was the chart of Glenn's standing from June 1983 to January 1984. This showed Glenn and Mondale in a virtual tie in June. In September, when the movie was taking up free space in all the press and on television, Glenn's standing was falling.

Mondale's position took off simultaneously and rose sharply through the period when both the AFL-CIO and the independent National Education Association gave him their allegedly deadly caresses.

Shogan and Schneider wrote that the impact of the AFL-CIO endorsement "would be likely to increase considerably because of the big splash the endorsement would make in the press." The decision did make a major splash, but the January polls indicated it was positive for the winning candidate in the eyes of the general public, and with union members.

Only a handful of reporters went into the fields to see if labor's campaign could be seen in action. Kathy Sawyer of the Post, Harry Bernstein of The Los Angeles Times and Howell Raines of The New York Times, explored our organization most thoroughly, but most other reporters wrote or talked about labor without bothering to do original work; they simply reworked what they borrowed from others.

Through the entire caucus and primary campaign, this was the pattern. A few enterprising reporters would actually attend meetings we held across the country for local labor leaders; television crews showed special interest in seeing telephone banks in operation.

## TV's big names

The Iowa caucuses drew big television names like Dan Rather of CBS and Tom Brokaw of NBC. Brokaw interviewed John Perkins, AFL-CIO political director, using questions prepared by a young producer, while Rather misrepresented labor's telephone campaigning.

"There's another whole campaign being waged on Mondale's behalf, a campaign with a legally unlimited budget and no outside fiscal accountability," he reported. "That campaign is being fought by organized labor . . . there's no legal requirement to report how much was spent or where it went."

Apparently, Rather never heard of the reports of "in-kind" spending for political campaigns which labor does report to the Federal Election Commission.

There was a flurry of excitement in Iowa, when Glenn charged that telephone banks were improperly operated for Mondale from union halls. William White, Glenn's campaign manager, said he was going to make formal charges to the FEC. Reporters hardly noticed that no such charges were ever filed. Glenn was the first to make labor an issue, but it did him little good in Iowa where Mondale won handily.

From that first series of caucuses, a pattern for reporting about labor developed. When the federation and its affiliates performed well for their candidate, they got little media attention. When it appeared that labor had failed, it got all kinds of attention.

Germond and Broder talked about the Iowa results with Ken Bode and Bryant Gumble on the

NBC "Today" show on February 21, the day after the caucuses, without discussing labor's role.

Yet, as Sawyer reported in The Washington Post, NBC exit polls found that 75 percent of the union participants had voted for Mondale. Labor, in fact, produced 40 percent of Mondale's strength in Iowa.

Broder, usually a cautious observer, told the television audience that George McGovern was "in a position to hurt Gary Hart" in New Hampshire and that some of Glenn's supporters would slide over to Sen. Hollings.

"Well, Mondale doesn't have to take note of anybody," Germond said. "I mean, after all, he did win big and he beat his closest competition better than two to one. Mondale needs to keep the same kind of posture he's had, where he is above the fray a little bit."

This was the new conventional wisdom put down by the two best political analysts in journalism.

## 'It's only television'

All through the campaign, television brought print journalists to the tube, apparently in the belief its own highly paid performers lacked credibility. From their perspective, writing journalists have found television to be a lucrative outside source of income as well as a great builder of reputations, egos and speaking fees.

The writers learn quickly that to be successful on the visual medium they must perform to the extent of saying things differently than they would in print; taking positions that are controversial; drawing conclusions, and arguing with each other. Otherwise sensible writers will say outlandish things on television if for no other reason than to be invited back for another performance.

Morton Kondracke of The New Republic, who plays the "liberal" on televised verbfests, acknowledged the phenomenon in a conversation. "It doesn't make any difference; it is only television," he said.

The conventional wisdom about New Hampshire was enhanced on February 28, the day of the balloting, when the newest New York Times/CBS poll was printed, showing Mondale ahead of Hart and the other challengers by 50 points, "the most commanding lead ever recorded this early in a Presidential nomination campaign by a nonincumbent," Hedrick Smith wrote.

Twenty-four hours later, the conventional wisdom had again been trashed. Hart, who used the anti-labor issue in attacking Mondale for making "too many promises to special interests," upset the prognosticators and won New Hampshire.

Looking back at all the pre-primary predictions, Richard Cohen of the Post wrote: "Fortunately, these stories now rest at the bottom of bird cages."

The New York Times/CBS exit poll showed that only six percent of the New Hampshire participants were union members, but labor was singled out as a major cause of Mondale's loss.

Overnight, the political momentum shifted. Germond and Broder both told the "Today" audience that the Colorado senator had just about knocked Mondale out of the race; it would be hard for Mondale to recover.

USA Today carried a headline, "Labor Muscle Won't Deliver Mondale the Nomination," over a story by Don Campbell which did not say that. Mondale's "constituency might be too narrow and too shallow," he wrote.

In the Post, Mark Shields explained: "Labor, to its credit, may be the last Democrat constituency that still imposes a call upon both the consciences and the checkbooks of party members. Labor, to its credit, wants to spend more money to buy better public education.

"But labor is not fashionable; labor wears pinky rings, too often, and dresses in suits that shine like aluminum. So, labor, which is easy to caricature, is available for cheap shots."

The shots came fast; Newsweek, which had paid little previous attention, decided after New Hampshire, Maine and Vermont went for Hart, labor's support "may be doing Mondale more harm than good."

Only a few reporters realized that Mondale's loss in Maine was actually more damaging to labor's campaign than the New Hampshire primary or Vermont popularity poll. Maine was a caucus state and far fewer union voters took part than had been expected. As a result of Maine and New Hampshire, the AFL-CIO changed strategy and tactics, but few reporters noticed.

". . . Gary Hart is hard for unions to fight," Leonard Apcar wrote in The Wall Street Journal. "Both the AFL-CIO and NEA have backed him in his Senate races."

While the media moved its attention to "Super Tuesday" — primaries in Massachusetts, Florida, Georgia and Alabama—labor experimented with new techniques in Delaware and Oklahoma. In the smaller state, Mondale won big; in Oklahoma an expected Hart sweep turned into a standoff. The results were heartening to labor strategists, but they accepted the sense that Hart's momentum had to be stopped in the South if Mondale's candidacy was to be resuscitated.

Ken Bode of NBC caught labor's odd situation in the South. "Organized labor is about as weak in the South as it is anywhere in the country, yet a South-wide poll taken last month shows that 60 percent of the people here still think the unions have too much influence." This was the new approach to the "kiss-of-death" argument; it is the opposite side of the argument which says unions are archaic—dinosaurs toddling off to extinction.

Lane Kirkland signaled the change in strategy for the nomination campaign in a little-noticed speech at an AFL-CIO regional conference in Miami shortly before Super Tuesday.

Through the first primaries and caucuses, labor had told its members that all eight Democrats were good men; that all were qualified to be president, but that Mondale was the clearly preferred candidate for working men and women.

Research by the American Federation of Teachers and the AFL-CIO found several instances where Hart had taken clear anti-labor positions in committees or "non-record" votes which would not go into his file kept by the Committee on Political Educate (COPE). Thus, he could have a good voting record—over 80 percent "right"—with COPE and still have enough red marks in his copy book to be vulnerable.

Most of all, Hart had decided he could be nominated by attacking labor as a special interest and by charging that labor leaders somehow did not represent the interests of their members. "The Democratic Party that was once the party of workers on the assembly lines of America is in danger of becoming the party of a handful of organized leaders in Washington," the Senator said in a typical statement.

This line, adopted by the so-called neo-liberals, runs parallel to the argument used by Ronald Reagan in trying to split workers from their elected leaders. The neo-liberals take the arrogant position that they know what is best for workers, although they have never bothered to consult with any.

## The worst phase

Campaign coverage by March was in its worst phase when the traveling claques with each candidate moved across the political landscape like so many locusts. The reporters and television crews descended on meetings just minutes before the candidate was to speak, and they rushed out a few minutes later. They often did not know where they were; they saw the world through the windows of chartered buses.

Bernard Weinraub, in the Times, said Mondale had addressed 2,000 union "organizers" in Miami. I sent him a note saying that those were mostly real, live working folks in that hall; we wish we had 2,000 organizers in all of the southeast states, much less Dade County.

Mondale, campaigning better than ever before, did what he had to do; he won Georgia and Alabama and renewed his own energy and the campaign's spirit.

The New York Times/CBS exit polls showed labor produced 16 percent of the voters in Georgia and 28 percent in Alabama. In Alabama, voters split about even (51 percent "yes," 41 percent "no") on the question of does labor have too much power? In Georgia, the vote was negative for labor by two-to-one, bearing out a personal impression that where unions are best known, they are least offensive.

Within the Georgia and Alabama results, there was evidence, largely overlooked by reporters, that Hart was not the barrier to Mondale's nomination, but that Jackson was.

Only 3 percent of Hart's supporters in Alabama and 5 percent in Georgia were black, while Mondale scored well with blacks in both states and Jackson led in that vote.

Reporters all through the campaign wrote about the Mondale-Hart contest as if it were one event and the Jackson campaign another. Actually, if Jackson had not been in the race, Hart's campaign would have ended early.

The media, in early spring, concentrated on the race-horse character of the campaign, emphasizing the popularity voting and paying little attention to the more important element of delegate selection. Reporters kept looking for that time when Mondale might quit. Similarly, they wanted to know when labor might start hedging its bets by making overtures to Hart.

In fact, the AFL-CIO never considered changing its course. The decision was to stay with Mondale as long as Mondale stayed the course. And, always, the selection of delegates was the prize. The only alternative result suggested was a possible stalemated convention. With a maximum count of delegates, labor would be assured of a role in any event.

Irving R. Levine reminded the Today show audience that George Meany, Kirkland's predecessor as AFL-CIO president, never endorsed candidates before party conventions.

"The ultimate test of whether Kirkland and other union leaders are in step with their members will come in the big industrial states—Illinois, Ohio, Pennsylvania," he said. "If Hart gets the nomination, big labor will swallow its pride and kiss and make up, but Hart will owe Kirkland nothing, which would prove that George Meany was right."

David Fink in USA Today returned to the question, "Can labor deliver?" With caucuses in Michigan and primaries approaching in Illinois, New York and Pennsylvania, he wrote, "Indications are that organized labor . . . can't and perhaps never could wield enormous election day clout."

Reporters tended to belittle the Michigan voting since it was done in open caucuses. They pointed out some of the meetings would actually be held in union halls.

Some writers showed their ignorance of unions by suggesting that union members would be intimidated by the presence of their elected officers and, therefore, unlikely to exercise their private choices. But, in union politics, the pressure works the other way—elected officers tend to bend with the pressure of their members, not the other way around.

The omnipresent polls confused reporters more than ever. After using polls as crutches to make up for their unwillingness to do old-fashioned street reporting, reporters could not keep up with the wild swoops the so-called scientific measures took.

In two weeks, Mondale went from commanding 57 percent support in the New York Times/CBS poll to 31 percent. Hart went from 7 percent to 38 percent. "A comparable transformation of public opinion on any subject is hard to recall," Martin Plissner, executive political director for CBS News, observed. "Certainly, in the history of the polling of presidential preference, there is none."

Newsweek, among others, was caught going in the wrong direction in its pre-primary analysis of Illinois. "While it is not inconceivable that Mondale could resurrect his stumbling campaign in Illinois, it now appears far more likely—and, indeed, ironic—that a state synonymous with old organization politics may write its epitaph in election year 1984."

Wrong again. As it did all through 1984, the media underestimated Mondale as a campaigner. He made good use of Hart's stand as a "free trader," at a time when American jobs are being exported instead of American goods, and Hart's errors under pressure.

Mondale won big in Michigan and Illinois and went east with a new burst of enthusiasm and confidence. Despite the many doubters, Barry Cronin of the Chicago Sun-Times concluded: "Walter Mondale's victory in the Illinois Democratic primary gave new credence to big labor's ability to deliver for its endorsed candidate."

## True Democrats

The real lesson that many reporters still had not learned was that in contests where only Democrats made the decisions, Mondale usually won. Hart's supporters, to a large extent, were people who did not declare their party preference and Republicans who wanted to influence the Democrats' choice. By the same token, within the Democratic Party, there is little resentment toward labor. What kind of Democratic Party would there be without strong labor participation?

This lesson was proved in both New York and Pennsylvania where, again, Mondale scored strong victories.

By the third week of March, Mondale was again leading in the polls. His standing continued to improve through April. Adam Clymer, on March 27, wrote in the Times: "The volatile nature of this year's Democratic electorate, demonstrated repeatedly in sharp swings in the closing days of primary races, was shown again in this poll." He then quoted Peter Hart, the Mondale pollster: "The shelf life of a survey in this election may be about 48 hours."

The New York primary, won by Mondale, reinforced the view that when labor did well, it was taken for granted. Hedrick Smith, analyzing for The New York Times, had explored labor's problem before "Super Tuesday," especially in Massachusetts where he said the unions failed Mondale. But when he wrote about the New York primary, he did not mention labor's role at all.

He concluded that the unemployment issue

worked in Mondale's favor and that Jewish and female votes went for Mondale. He also mentioned that Mondale did better in primaries restricted to Democrats.

Yet, the poll Smith was analyzing showed that 40 percent of the New York primary voters came from union households, a group larger than those who described themselves as Jewish or Catholic. Mondale carried 48 percent of that vote, Hart got 22 percent and Jackson got 30 percent. The writers looking for Hart's white, upward-bound young professionals overlooked the evidence that many of those New Yorkers are union members.

At about this time, William Schneider returned to his theme that labor's political involvement was a negative for its chosen candidate. "What the evidence suggests is that it helps a Democractic candidate to be perceived as a supporter of labor," Schneider wrote in the National Journal. "But it does not help for labor to be perceived as a supporter of the candidate."

He then charted results in the early primaries without mentioning the substantial labor vote that Jackson was receiving. Jackson was still the "invisible man."

Although the election-eve polls showed Mondale and Hart nearly even in Pennsylvania, the former vice president won the state by a large margin. Forty-four percent of the primary voters came from union households, and Mondale got 52 percent of their votes. According to ABC exit polls, Jackson got 17 percent. Hart had 30 percent.

USA Today and The Los Angeles Times credited Mondale's win to the issue of unemployment; labor was hardly mentioned. Still, an analysis by Lucinda Fleeson of The Philadelphia Inquirer found: "By delivering the largest union turnout in the presidential campaign so far, organized labor proved that in Pennsylvania it still can be a powerful asset that effectively gets out the vote."

## The industrial states

Looking back, it is clear that Pennsylvania was the real end to Hart's dream of winning the nomination through the primaries and caucuses. As Germond and Witcover wrote a few days later, Hart's position was now "downright desperate."

"Whatever opinion polls may show, it is extraordinarily difficult for Gary Hart to make the case he is stronger than Fritz Mondale when—in less than a month—he has lost to Mondale in Michigan, Illinois, New York and Pennsylvania, four major industrial states that are by any reckoning requisite elements of any winning Democratic electoral-vote combination against Reagan in the fall."

At that breathing point, Kathy Sawyer in the Post concluded: "In the first round of Democratic presidential primary and caucus contests, organized labor's lift as a vote-producer ultimately outpulled its drag as an albatross of 'special interest' around the neck of its chosen candidate, Walter F. Mondale."

Mondale now had more than half of the delegates he needed for a first-ballot nomination. With Mondale again the front runner, Hart was under heavy pressure and the media microscope.

"But now the media-induced euphoria that once propelled Hart's candidacy has been replaced by growing voter skepticism about who and what he is," Patricia O'Brien and Robert D. Shaw, Jr., wrote for the Knight-Ridder newspapers.

The labor issue in the campaign shifted direction as reporters learned of the existence of committees formed to promote the candidacies of individual delegate candidates. These committees were created originally to help union members contest other delegate candidates. Of course, the labor delegates were Mondale delegates.

While he attacked the delegate committee set-up, Hart also tried to make gestures toward union members in the remaining state contests. He visited a closed steel mill in Youngstown and criticized Mondale's economic industrial policy plank and repeated his earlier denunciations of federal government guarantees which helped the Chrysler Corporation regain economic health.

Hart faced a new disaster in Texas, one of those western states that were expected to save his campaign. But after a few days of campaigning, in which he repeated his attacks on labor, Hart decided to invest the greater portion of his time in Indiana and Ohio.

Mondale took the opposite tack and invested energy and time heavily in Texas. The result was another win for him. Here, The New York Times/CBS exit poll found that 23 percent of the participants came from union households. They provided Mondale with 31 percent of his support, and Jackson 21 percent of his. The labor vote was 13 percent of Hart's total.

Still, analyses of the caucuses gave more credit to Hispanic-Americans—about 10 percent of the participants—than the labor vote. Hispanics provided Mondale with 17 percent of his support. Of course, since there are many Hispanic-American union members, the numbers include duplicates.

"In recent weeks, Hart's attacks on labor union financing of the Mondale delegate committees have intensified," Plissner wrote. "The state of Texas, which does not have a heavily unionized population, seemed ideal for this tactic. However, it did not help him to win. . . ."

## The inevitable question

Buried in the poll results was an interesting result on the inevitable question, do unions have too much power? Of Texas Democrats, 48 percent said "no" and 46 percent, "yes."

In analyzing the Ohio results for the Times, Hedrick Smith had to discard his unemployment factor since Hart won in a state that had seemed natural for Mondale. Smith pointed out that "well over half" of the voters in the Ohio Democratic primary thought unions had too much power, and that this indicated the different nature of the state from its industrial neighbors.

Actually, the final polls showed 53 percent of Ohioans took that position compared to 51 percent of the Pennsylvanians polled and 49 percent of the Illini. That was hardly a difference since the margin of error was four percent.

The real difference between Ohio and Pennsylvania was that Ohio permits independents to take part in its primary. In Ohio, 72 percent of those polled said they were Democrats and 24 percent declared themselves independents. In Pennsylvania, 80 percent of the participants said they were Democrats and only 16 percent said they were independents.

The nomination fight ended, mercifully, and the summing-up began. Howell Raines in The New York Times:

"And while few doubted the importance of the AFL-CIO endorsement, perhaps no one suspected its absolute indispensability. Labor deserves the major credit for engineering the massive turnout of union and elderly voters that helped Mr. Mondale overcome the drain on this electoral base caused by the Rev. Jesse Jackson's ability to capture huge majorities among black voters."

In The Los Angeles Times, Harry Bernstein: "Most political observers agree with the unions that they were the single most important force in Mondale's campaign."

The Los Angeles Times was schizophrenic about labor's role in the campaign. Robert Shogan, who had concluded with William Schneider that the labor campaign would hurt Mondale, hardly mentioned the AFL-CIO in his reporting. Anticipating the convention, he and Sara Fritz acknowledged that the federation's "organizational help was a key factor in many Mondale primary victories. . . ."

In the same paper, Schneider, the pollster, barely mentioned the unions in his summation of the campaign. Perhaps he saw what the New York Times/CBS found in its June national survey. Asked what they did not like about Mondale, only 2 percent—all whites—responded that he was "close to unions." The same percentage, including blacks, said his closeness to unions was one of the things they liked about Mondale.

Asked what they considered to be "special interest groups," 11 percent said unions, an increase from 8 percent who answered the same way in February. Business, which was seen by 12 percent as a special interest in February, slipped to 9 percent in June. Minorities went from 10 to 15 percent in the same period. The campaign had apparently heightened sensitivity to the term.

Still, after all the attacks on Mondale, and on labor, in June roughly the same percent of voters thought he was "too attached" to special interests (34 percent) as in February (33 percent). Ronald Reagan, in the view of the same sample, was "too attached" to special interests by 40 percent in June compared with 38 percent in February.

Andrew Mollison, of the Cox Newspapers, made an analysis of ABC exit polls and concluded that Mondale received 44 percent of the votes from union households, Hart 28 percent and Jackson 18 percent. "Mondale's 16-point advantage among union families offset Hart's 12-point advantage among the more numerous non-union families," he wrote.

The Times/CBS summation gave Mondale 45 percent of all union household votes. This survey also showed that in all the primaries, union voters amounted to a third of the participants although they are 25 percent of the total population.

For the AFL-CIO, the long campaign produced the results it sought: the nomination of Mondale, a record number of union delegates to the convention, a new unity within the movement, and added respect, however grudging, for its campaign efforts.

In San Francisco, however, the labor presence drew only modest attention from the media. The fact that we did what we set out to do became a non-story.

Lane Kirkland gave a speech to a labor dinner just before the convention opened and only a handful of reporters covered it. He led a parade down Market Street and addressed some 250,000 trade unionists on the Sunday before the opening and was interviewed by local reporters.

On Monday, the opening convention day, the AFL-CIO held a caucus for its delegates and alternates. We announced it would be open for coverage, but only writing journalists appeared. One television crew from Jacksonville, Fla., wandered in, found some Floridians, and left without knowing it had scored a video scoop.

The lesson, of course, is that television lives on staged events; it was not interested in news for its own sake. The AFL-CIO operated a full network of whips and sector leaders and all the other paraphernalia common to floor operations at a convention, but only a few reporters showed any interest.

There were several printed observations about labor's "low profile." Some writers noted the discreet behavior of labor's delegates—no funny hats, colorful jackets, no fist fights. But most reporters covered the convention action from television screens in the hall; when labor did not appear on the screens, the writers accepted that as evidence that labor did not exist at the convention.

In spite of all the earlier journalist thumbsucking, labor did not develop as an issue in the first half of the fall election campaign. Commentators, instead, found the two parties fighting over the workers' votes.

Ronald Reagan did not attack Walter Mondale for seeking and receiving labor support. Instead, the Republicans did their best to create the impression that they were the workers' friends. Reagan made some of his earliest appearances in the campaign in front of blue-collar audiences.

The GOP strategists sought desperately to win the endorsement of the one major labor organization that had not supported the Mondale-Ferraro ticket. George Bush was dispatched to Columbus to accept the strong backing of Jackie Presser, president of the International Brotherhood of Teamsters. Other Republican union officers were importuned to endorse Reagan-Bush, both to discount the AFL-CIO support for Mondale-Ferraro and to make it possible for the GOP to argue that it had labor support.

Privately, most reporters I talked with were chagrined how badly they had called the 1984 spring campaign. Still, they repeated many of the same errors in the beginning of the fall campaign.

Reporters continued to use polls as current facts and projections for the future instead of "snapshots in time," as the pollsters, themselves, say. They were distracted by minutiae of the campaign—personalities and such things as seats on airplanes.

## Herd journalism

While speculating about the success of the campaign managers at staging "media events," reporters allowed themselves to be used as stage extras in the events. Herd journalism—in which a few reporters set a pattern and others follow—dominated the coverage.

Reporters continued their long ignorance of economics. Even so careful a writer as Broder referred in late September to the atmosphere of "burgeoning economic growth" as helping the Reagan campaign. This, a few days after the government announced economic growth had slowed by 50 percent during the past six months and when unemployment had rested at a high 7.5 percent for four months.

Part of the problem is that so many of the reporters covering the major stories are younger than those who covered the same assignment years ago. The new reporters are better educated than their predecessors, but they do not know as much; they are excellent at communicating information, but they lack historical background and experience.

Because there are so few major newspapers now, the writing reporters on the assignment have less competition than before. The major networks still use The New York Times for setting their evening news budgets, but the Times and other papers make sure they report what television has shown the home audiences even when that view is badly skewed.

Perhaps, most troubling of all is the feeling that newspapers are becoming a class media, edited and written by upper-middle class individuals for an audience that is largely upper-middle class or higher.

## At atomic fuel center

# Unions press probes of radioactive hazard

Fernald, Ohio—Mounting worker and community concerns over the release into the atmosphere over the past 30 years of some 100 tons of radioactive uranium oxide from the Dept. of Energy's Feed Materials Production Center has triggered an avalanche of investigaitons at local, state and federal levels.

The 15-union Fernald Atomic Trades Council, which represents more than 1,000 workers at the production center and is affiliated with the AFL-CIO Metal Trades Dept., pressed for the investigations after the release of nearly 300 pounds of uranium oxide late last year.

The center produces enriched uranium ingots fór federal reactors in South Carolina, Colorado and Washington, which turn the ingots into plutonium for weapons.

The Atomic Trades Council joined with the Fernald Residents for Environmental Safety & Health in pressing state and federal officials to act.

### Labor action

The Cincinnati AFL-CIO also asked the state Dept. of Health to "intervene on behalf of both workers and the community" and sought a congressional investigation of the release of uranium oxide and of the management of the plant by NLO, Inc. NLO, formerly National Lead of Ohio, has been under contract with the energy agency for the past 30 years.

Energy Sec. Donald P. Hodel, in response to questions from Rep. Thomas A. Luken (D-Ohio), attributed the latest release of the radioactive material to a malfunction in an air cleaning system.

Hodel's report indicated that over 105 tons of uranium were discharged to the environment in the past 30 years, with the bulk of the discharges occurring in the 1950s and 1960s.

His report said that on Nov. 29, five workers who were repairing the air cleaning system were exposed to a "puff" of uranium oxide. The workers were later checked for radioactivity by a DOE "whole-body counter" that measures the presence of radioactive materials in the lungs. DOE insisted that the "counter" showed their "lung burden" has not increased over previous levels.

### Radiation checks

After that exposure and the subsequent releases of uranium oxide at the plant, the Dept. of Energy offered both workers and the community the opportunity to be checked for radiation.

At issue, according to the trades council, is whether DOE should be permitted to investigate itself and whether other agencies should regulate it.

Ohio Gov. Richard Celeste, at the request of the trades council, asked the National Institute for Occupational Safety & Health to investigate the effects on the health of the workers.

Jerry Flesch, assistant chief of NIOSH's hazard evaluation and technical assistance branch, said NIOSH has begun gathering medical information on the workers and has chosen Argonne National Laboratory in Chicago to conduct separate "whole-body" scanning of the workers for radiation.

Key to NIOSH's investigation, however, was gaining the participation of the plant's workforce. But fear of reprisals from either DOE or the company prevented the workers from cooperating with NIOSH. Last week, NLO and the energy agency agreed in writing to the unions' demand that there would be no reprisals against workers participating in any of the various health and safety investigations.

Flesch said NIOSH expects to have results from its testing within the next few weeks.

### Contaminated wells

Meanwhile, the state health department is checking area wells for radiation contamination. Thus far, three wells have been found to be contaminated. And Ohio Atty. Gen. Anthony J. Celebrezze is preparing a suit against NLO and DOE, citing 26 violations of state regulations on waste and water contamination.

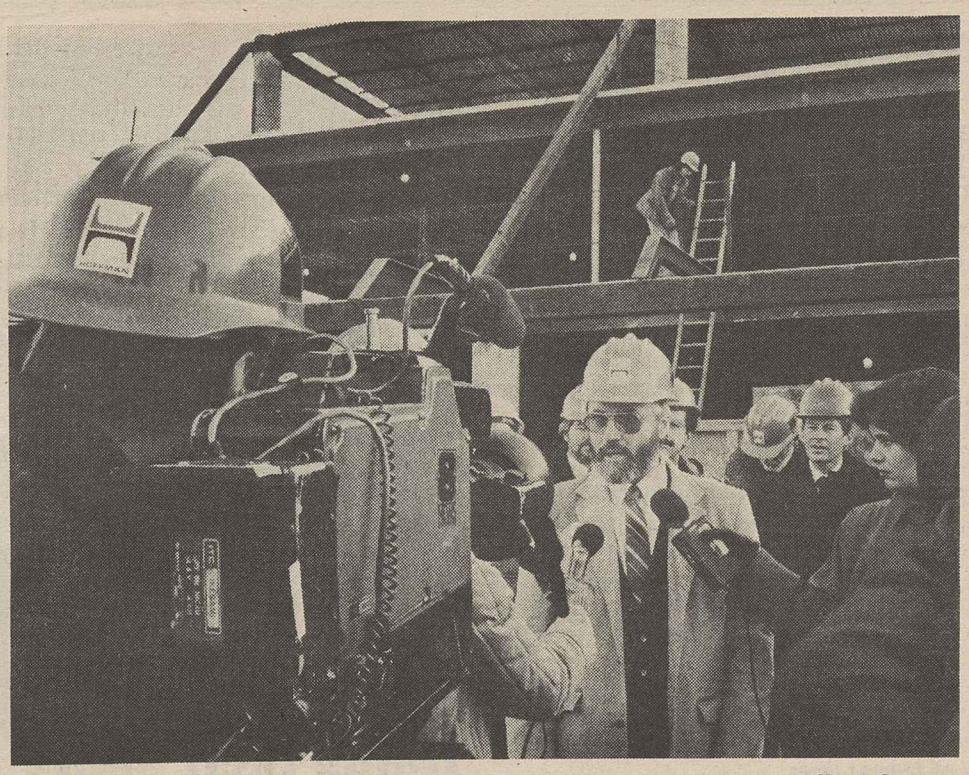
As a part of DOE's actions at Fernald, the agency for the first time in 30 years is seeking competitive bids for the operation of the plant, forgoing the opportunity to automatically renew NLO's five-year contract again. That contract expires this September. After the announcement of competitive bidding, NL Industries, Inc., parent corporation of NLO, said it would not re-bid, but would agree to operate the plant under a contract extension.

## Of mice and men

**Nearly three-fourths of a group of test mice were killed in a recent cancer study by exposure to butadiene gas at levels far below those the government allows for workers.**

**The study, performed for the National Toxicology Program, is featured in the latest issue of Science magazine. The authors note that of 100 mice tested at 625 parts butadiene per million parts of air, 74 mice died of cancer. So lethal was the concentration of gas that the two-year study had to be ended after just one year.**

**The AFL-CIO and several of its affiliates petitioned the Occupational Safety & Health Administration in January 1984 to reduce the ceiling on worker exposure to 1 ppm from the 1,000 ppm level currently allowed. OSHA denied the union petition for an emergency standard and so far has not moved to lower worker exposures. Some 70,000 workers, mostly in the rubber and chemical industries, face the risk of exposure to the gas at their workplaces.**



Oregon Building & Construction Trades Council President Bill Belanger details $103,000 labor-management contribution to Red Cross construction.

# *Oregon building trades aid Red Cross in two projects*

Portland, Ore. — Construction trades unions here are supporting the Red Cross by helping to reduce the cost of its new office building now under construction and by improving the agency's ability to respond in case of a disaster.

Labor's successful coastline disaster project has been extended to the West Coast with the designation of Steamfitters Local 235 and Carpenters Local 247 as headquarters for the Red Cross disaster response teams during emergencies.

The agreement between the Red Cross and the unions provides for the installation of special telephone lines and auxiliary power generators at the union halls to prepare for their use as disaster relief centers. Similar agreements have been negotiated between the Red Cross and unions from Texas to Maine and in Puerto Rico and the Virgin Islands.

"This is part of the continuing good relationship between organized labor and the Red Cross," said E. R. (Del) Ricks, executive director of Labor's Community Services Agency in Portland. He noted that the 1980 eruption of Mount Saint Helens, just 40 miles away, provided the impetus for improving disaster preparedness in the area.

A total of $103,000 will be saved on the cost of the Red Cross's new $2 million headquarters building in Portland. The savings result from a labor-management program and from direct contributions of union members.

The general contractor, Hoffman Construction Co. of Portland, bid the project under the new Union Contractors Association (UCA) collective bargaining agreement which provides for a 20-percent labor cost reduction by members of the building trades unions that are signatory to the UCA agreement. This resulted in a $55,000 savings.

In addition, a unionized subcontractor, Streimer Sheet Metal Works, Inc., bid its portion of the job under the UCA agreement, resulting in another $12,000 savings.

### Others pitch in

And, members of non-UCA crafts — Iron Workers, Electrical Workers, and Plumbers and Steamfitters—pledged the equivalent of one day's pay a month to the Red Cross building fund.

Their contributions will amount to $18,000 in a plan worked out by EXCEL, another union-contractor committee. Hoffman Construction agreed to match the workers' $18,000—for a total of $36,000.

UCA and EXCEL were established in 1983 to help union contractors and union building tradesmen reclaim their share of the construction market.

Representing organized labor in UCA negotiations are Earl Kirkland, executive secretary of the Columbia-Pacific Building & Construction Trades Council, and William Belanger, executive secretary of the Oregon State Building Trades. EXCEL's executive director is James Fox, who is also research director for the Oregon State District Council of Carpenters.

# Accord in sight following sale of struck bakeries

Alexandria, La.—The Bakery, Confectionery & Tobacco Workers ended a 17-month strike at Cotton Bros., Inc., here after the company announced it would sell its bakeries to American Bakeries, Inc., an all-union firm that has already agreed to bargain with the employees.

BC&T President John DeConcini said American, which has contracts with the union nationwide, "has agreed to sit down with us and negotiate a contract and return the strikers to their jobs" at the five struck Cotton plants.

The union has called off its strike at plants in Monroe and Shreveport, La., and Natchez, Miss., and ended its local boycott of Cotton baked goods, BC&T said.

The 118 employees were forced to strike in August 1983 when Cotton continued to demand deep wage and benefit concessions and changes in the contract that would have made it difficult for the union to represent its members effectively, BC&T said.

Although the workers had agreed to reductions in wages and benefits, the company "was determined to destroy the union," DeConcini charged. The outlook changed, however, when American successfully concluded six weeks of negotiations that led to the purchase of the company.

# 'Blue-ribbon panelists' hit deception

The National Committee to Preserve Social Security, already under fire for alarmist fund-raising tactics, has stirred new controversy with a clearly deceptive brochure.

The brochure purports to be an "analysis" of recent changes in the social security law by a "blue-ribbon panel" of experts set up by the committee.

The presumed panel members, listed as "sources of information," include AFL-CIO Social Security Director Bert Seidman and others with high credibility as experts in the field.

But as Seidman said in a Cable News Network television interview, "I never heard of this blue ribbon panel. I was never asked to serve on this blue ribbon panel."

Neither, it turns out were other experts who, along with Seidman, were quoted as if they were taking part in a round-table discussion. The so-called discussion is apparently based on comments made by the experts on other occasions or in interviews with persons not identifying themselves with the committee.

Seidman termed it "outrageous" that the brochure purports to be the product of a "so-called blue-ribbon panel" that turns out to be "a figment of somebody's imagination."

### Scare tactics

Earlier, the committee had come under sharp criticism for playing on the fears of the elderly for the continuation of their social security benefits and the respect that the name of Roosevelt receives from a New Deal generation.

James Roosevelt, the 77-year-old son of Franklin D. Roosevelt and a former congressman, set up the organization and linked up with a California direct-mail operation that had helped push through Proposition 13, the anti-tax referendum.

Fund-raising letters signed by Roosevelt proclaimed, "My father started social security. Now we must act to save social security and Medicare."

CNN Reporter Jack Mitchell said some fund-raising letters appeared to be government communications. "Some elderly people apparently thought they had to donate money to the committee in order to continue receiving their social security benefits."

While organizations such as the National Council of Senior Citizens were organizing coalitions and mobilizing its chapters across the country, the Roosevelt organization was raising millions of dollars in funds and veering erratically across the political landscape. Roosevelt himself supported Reagan's re-election.

# Workers get heavier load as rich gain

Continued from Page 1

As an example of calculations tracing the change in the effective tax burden, one variant described by the study showed that in 1966 federal, state and local taxes were at 16.8 percent of adjusted family income in the lowest income group and at 30.1 percent of adjusted income in the highest group. In figures projected for 1985, the tax burden has gone up to 21.9 percent of income for the lowest group and declined to 25.3 percent for the richest group.

Pechman said the decline in progressivity of the tax system over the last 20 years was caused by a decline in the progressivity of federal taxes.

Individual income taxes remained progressive over the period, but less so at the end than at the beginning because of the effect of "bracket creep" resulting from the growth of real incomes as well as inflation and the 1981 federal tax cuts.

Using the same set of variables, Pechman found that federal taxes alone rose from 7.8 percent of adjusted family income for the lower income groups in 1966 to 13.9 percent by 1985. For the upper income groups, however, federal taxes declined from 21.1 percent in 1966 to 17.1 percent of adjusted income in 1985.

Pechman's research also underscored a dramatic shift in tax burdens from capital to labor income. Using the same set of assumptions as above, the tax burden on capital income was almost twice as large in 1966 as it is now. Other variants described in the study show that in 1985, the effective tax rate on labor income is almost twice as large as on capital income.

### Reagan responsible

The study points out that while other changes in the federal tax system have taken place since 1966, the figures show that the 1981 changes enacted at the urging of the Reagan Administration accelerated the shift in the tax burden.

Between 1980 and 1985, according to the data, the effective federal income tax rates rose in all the lower- and middle-income groups and remained unchanged or declined for the richest family-income groups—people with incomes of $50,000 and up.

Even though lower-income groups also received some of the tax cuts, much of that was eaten away by inflation that had put those families into higher tax brackets, the study found.

At the top end of the scale, meanwhile, the federal income tax burden dropped from 11.5 percent of adjusted family income to 10.3 percent because of the rate reduction and other changes enacted. Among those, the study said, were the reduction in the long-term capital gains tax rate and the increase in deductions for Individual Retirement Accounts. Those factors more than offset increases in incomes during the period.




## Doing their share

Big boost to fund-raising for the United Cerebral Palsy Telethon in Chicago is provided by the city's labor movement. Nearly $175,000 in contributions were pledged in just the hour sponsored by the Chicago AFL-CIO. More than $40,000 in contributions were made by local labor groups in on-the-air presentations. During the telecast, reporter Mary Ann Childers interviews Chicago Federation Sec.-Treas. Robert M. Healey, left, and President Edward F. Brabec.

# First of Reagan Cabinet shifts gains confirmation by Senate

The Senate confirmed President Reagan's nomination of James Baker III to be Secretary of the Treasury, clearing the way for the other half of the big White House job swap.

As Baker moved across the street to the Treasury Dept., former Treasury Sec. Donald T. Regan replaced him as the President's chief of staff—the central figure in the White House hierarchy.

A somewhat reluctant promise by the President not to seek abolition of the Dept. of Education cleared the way for quick Senate confirmation of William J. Bennett as Secretary of Education.

The department's future was a major issue at confirmation hearings by the Senate Labor & Human Resources Committee. Senators from both parties sought a firm assurance that Bennett was not being put in office to preside over the dissolution of the department.

Reagan then wrote Committee Chairman Orrin B. Hatch (R-Utah) that he still favors abolishing the department. But recognizing that there is "very little support in Congress" for such an action, Reagan wrote, "I have no intention of recommending the abolition of the department to Congress at this time."

The Senate was in no hurry, however, to take up the nomination of Edwin Meese III to be Attorney General.

Meese, a top aide to the President throughout his first term and a close associate before then, has been under heavy criticism for his past financial dealings and appearances of conflict of interest.

The White House view is that a special counsel's finding that Meese had not violated any law proves that he is "not a crook" and should be confirmed. But Democratic senators and some Republicans have insisted on a more thorough probing of Meese's conduct and qualifications to be the nation's chief law enforcer.

The latest stumbling block to Judiciary Committee approval of his nomination was the disclosure that staff attorneys in the Office of Government Ethics had reported that Meese had "probably" violated federal ethical standards, but they were overruled by their superior.

### Lawyers' fees

Meese has applied for reimbursement from the federal government for more than $720,000 in legal fees he said he incurred in defending himself during the investigation of his conduct. The fees include $225-an-hour pay for his principal attorney, even though the Administration has proposed limiting the reimbursement of lawyers who are on the winning side in civil rights cases to $75 an hour. Meese said he supports the $75 ceiling, but since it is not yet in effect he considers the $225 fee request proper.

On deck, although with less controversy, are the nominations of John S. Herrington as Secretary of Energy and Donald P. Hodel as Secretary of the Interior.

The other Cabinet members are holdovers from Reagan's first term, although Labor Sec. Raymond J. Donovan remains on unpaid leave while defending himself against criminal charges based on actions he took as a construction company executive before his appointment to the Cabinet.

# *New push starts for civil rights bill*

A labor-supported civil rights bill that was derailed in the last Congress has been reintroduced with bipartisan sponsorship.

It carries the title of the Civil Rights Restoration Act, and its intent is to undo the damage inflicted by the Supreme Court's controversial Grove City College decision a year ago.

As in the last Congress, there is a difference of opinion over the scope of the legislation.

The Reagan Administration and its allies in the Senate have taken the position that any remedial legislation should deal only with the 1972 education law which bars sex discrimination in educational programs and activities receiving federal funds.

There is general agreement that the Supreme Court misread the intent of Congress in holding that the ban applied only to specific programs using federal money, not to the educational institution as a whole.

But the civil rights coalition, including the AFL-CIO, considers the court's ruling to be a threat to other anti-discrimination laws.

Their bill, like the version the House passed last year, would apply to portions of the 1964 Civil Rights Act, the 1973 Rehabilitation Act and the 1975 Age Discrimination Act, as well as to the education law, which is generally referred to as Title IX.

### Bill sponsors

The House bill's co-sponsors include Chairman Augustus F. Hawkins (D-Calif.) and Rep. James M. Jeffords (R-Vt.), the ranking minority member of the Education & Labor Committee, and Rep. Don Edwards (D-Calif.), whose Judiciary subcommittee will handle the bill.

The legislation is similar to the measure the House approved by a 375-32 vote in the 98th Congress, with changes to clarify its intent.

There is less unanimity in the Senate, where Majority Leader Bob Dole (R-Kan.) has introduced an Administration-backed bill considerably more limited than the civil rights coalition has urged.

It would partially remedy the Grove City decision, but leave in doubt the status of other civil rights laws applying to federally assisted programs.

Despite the Administration position, a number of Republicans have aligned themselves with the civil rights coalition on this issue. The counterpart to the House bill will have as principal Senate sponsors Republicans Lowell P. Weicker (Conn.), Charles McC. Mathias (Md.) and Bob Packwood (Ore.), as well as Democrat Edward M. Kennedy (Mass.).

# Tax incentives fail to expand investments

Continued from Page 1

to every taxpayer." It shifts the tax burden from profitable businesses to middle-income and low-income taxpayers, they stressed, while enlarging the federal deficit.

McIntyre and Tipps found the largest loophole to be the Accelerated Cost Recovery System—the big write-off for business investments in plant and equipment adopted in the 1981 Reagan tax bill.

With other loopholes, such as the investment tax credit, the revenue loss is more costly than any other program in the budget except defense and the self-financing social security system.

The cost to the Treasury—estimated at some $100 billion a year—is "far more than all federal programs for the poor combined," the study notes.

The reason why tax incentives didn't produce the investment gains anticipated, the study suggests, is that "in the real world, companies invest only when they need new plant and equipment to produce products they can sell to consumers. When consumers don't spend money, plants are idled and new investment drops."

The chairman of a major U.S. corporation is quoted as explaining to the New York Times that "with or without the tax bill, we would have done what we did in 1981 and what we plan to do in 1982."

The tax breaks did indeed increase cash flow for corporations, making it possible for firms to use the added funds for additional investment. But the study notes that the extra cash is equally available for increasing dividends, corporate acquisitions or raising executive salaries.

It terms the revenue waste "intolerable" when domestic needs are squeezed and the government faces annual budget deficits over $200 billion "for as far as the eye can see."

# Yale University blue-collar unit ratifies contract

New Haven, Conn.—Intense bargaining between Yale University and Hotel Employees & Restaurant Employees Local 35 produced a new three-year contract without a strike. It was ratified by a vote of 362-17.

The contract provides the 1,000 blue-collar service workers improvements in job security, wages, pensions and retirees' health benefits, as well as adding a dental plan for the first time, Local 35 Business Agent Frank Robinson said.

Local 35 reached the agreement a week after white-collar workers of sister HERE Local 34 settled its contract dispute with the university.

Local 35 members stood firm in honoring the picket lines of Local 34 during its 10-week strike last fall. Local 34's unit of 2,600 ratified its first contract with the university Jan. 22, and voted to honor Local 35's picket lines if a strike occurred.

Under the Local 35 agreement wages were increased 15, 30 or 50 cents an hour, depending on job grade. All increases were retroactive to Jan. 19. The contract retains the cost-of-living adjustment formula from the previous agreement.

The union negotiated limits on the university's contracting out of work normally performed by unit members. Robinson said the university and the union will jointly decide what construction and maintenance work can be subcontracted.

Another key item concerned the guarantee of work for 52 weeks a year for those workers who are normally on layoff during the periods when the university is shut down for vacations and semester breaks. Robinson said the guarantee was necessary because of changes that were made in the eligibility requirements in the state's unemployment compensation law.

# EDITORIALS

## The New Regulations

BY TEXTBOOK definition, regulations are the device by which Executive Branch agencies administer laws enacted by Congress.

That's the way government is supposed to work. But don't count on it. Not under this Administration.

Increasingly, regulations have been used to bypass Congress and change the intent of laws.

Congress mandates a safe and healthy workplace. But the Occupational Safety & Health Administration grants dispensations instead of cracking down on offenders.

The Davis-Bacon Act prescribes prevailing wages and benefits for federally funded construction. It's not politically feasible to repeal the law. So, bypassing Congress, the Labor Dept. undercuts long-established protections through the regulatory process. Similarly, the department set up to advance the interests of American workers flouts the intent of the Service Contract Act and opens the door for a return to the evils of industrial homework.

Established policies of the National Labor Relations Board are reversed without changing the law.

NOW, we read of new rules being reversed by the Immigration & Naturalization Service to make it easier for large growers to bring foreign workers into the United States to harvest fruit and vegetables.

There is already a program under which temporary foreign workers can be let in if employers can demonstrate that "qualified persons in the United States are not available" and that the employment of aliens would not impair the wages or working conditions of "similarly employed U.S. workers."

But employers, seeking a ready supply of cheap and preferably docile workers, have long complained that the procedure is too cumbersome and restrictive. To get around the rules, they've been "forced" to seek out and use illegal aliens.

In the last Congress, some otherwise desirable features of immigration reform legislation were fatally flawed by a House-passed provision opening the door to greater importation of foreign workers.

Congress didn't change the law. The legislation was not enacted. But the Immigration & Naturalization Service is apparently going ahead with plans to achieve a greater influx of foreign farm labor through regulation.

THE FEDERAL COURT system does provide a check, though often inconsistent, of the more extreme violations of congressional intent by the Executive Branch. But in the historic pattern of courts following the election returns, the influx of Reagan appointees increasingly is reflected in judicial decisions.

That kicks the ball back to Congress. It must spell out its intent in such an unmistakable manner that neither government agencies nor the judiciary can find grounds for an alternate interpretation.

Such rigidity eliminates the flexibility that has been considered desirable in the regulatory process. But if you can't trust the regulators, there's not much alternative.

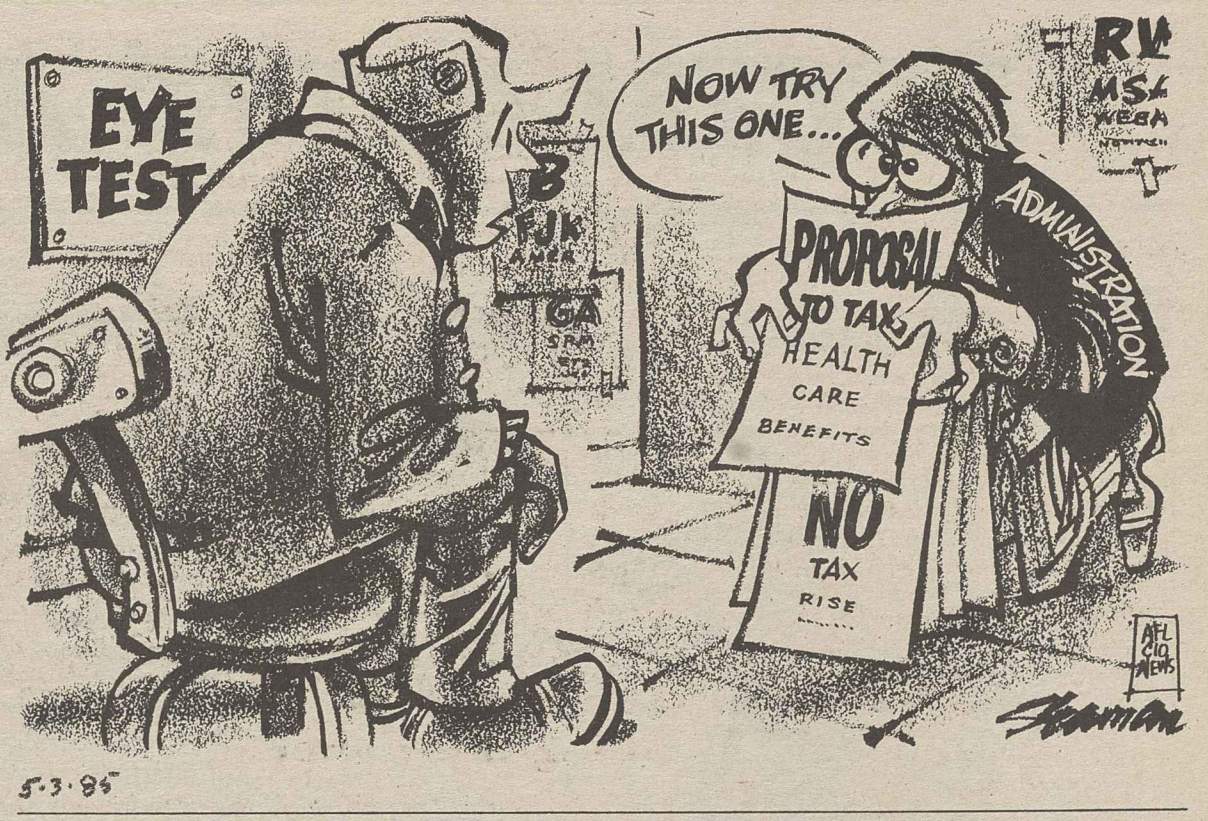
## Lesson in Unionism

YALE UNIVERSITY'S white-collar employees celebrated their first contract with cheers and labor songs. Not many of the members, mostly women drawn to unionism by resentment of second-class pay, had known the words of Solidarity Forever when they took to the picket line last fall. But they learned its message quickly.

The university's already organized service and blue-collar workers had helped their cause by refusing to cross the picket lines of the new unit.

Now the blue-collar unit was approaching its contract deadline. An agreement was reached without a strike—after the clerical workers made it clear they were not going to cross anyone's picket line.

That's what solidarity is all about.




**Washington Window**

# Reagan budget priorities point to more hard times

**By Press Associates, Inc.**

On Jan. 20, the front page of the Baltimore Sun described the opening of President Reagan's second term in these headlines: "Reagan sworn in officially today," "Inaugural a mecca for opulence," and "U.S. budget aides drop 1,500 medical grants—$1.5 billion in cuts targeted, program at Hopkins to close."

If these stories reflect Reagan's priorities, the next four years look like hard ones for workers, the elderly, minorities and the needy.

The inaugural was opulent, indeed, as befits an Administration for the rich and by the rich. But its budget cuts already under way, in defiance of Congress, show a pennywise, pound-foolish callousness toward the needs of the American people.

Reagan's Office of Management & Budget, according to the Sun's story, aims to save $1.5 billion on medical research over the next four years by ordering the National Institutes of Health to cancel 1,500 grants approved last year by Congress.

Medical researchers are alarmed because, according to Dr. John Sherman of the Association of American Medical Colleges, the cuts come just as 15 years of basic research in biochemistry now make it possible to advance into diagnosis and treatment.

### Medical research cut

The Sun said neurologists at Johns Hopkins Hospital and medical school cite their Huntington's disease project as an example. Researchers at Hopkins and Harvard University in the past four years have developed a test that would tell a person early in life if he might develop this devastating, degenerative disease. Half the children of a parent with Huntington's disease inherit it, but they do not know until middle age whether they carry the disease gene. Reagan's cutbacks would end this project.

In another area, the National Institute of Occupational Safety & Health (NIOSH) identified 249 workplaces in 42 states where more than 200,000 workers face high risks of developing cancer, heart or lung disease or other ailments. Yet the Dept. of Health & Human Services killed a $4 million budget request for a "worker notification" program, citing cost and fear of alarming the communities.

These two decisions—ending vital medical research and letting workers die a slow death—represent the trench warfare in Reagan's Washington.

### Deficit thinking

Reagan, at 73 the nation's oldest president, in his inaugural address repeated his notion that economic growth "will be our strongest tool to bring down budget deficits." His next words were, "an almost unbroken 50 years of deficit spending has finally brought us to a time of reckoning."

This incredible statement ignores the fact that Reagan himself nearly quadrupled the federal deficit he started with. In his second term, the New York Times observed, Reagan "will have borrowed more than all previous presidents combined."

The chief reason for today's deficit crisis, of course, is the $750 billion in tax cuts and give-aways to business and the rich in 1981, depriving the government of revenue while Reagan pursued his military build-up.

Reagan has a knack of making a majority of people feel good about themselves and their country. But what about the rest of America?

In recent years, some 35 million people have been forced downward out of the middle class. Medicaid supposedly covers the needy, but an estimated 25 million poor people lack medical care. Some estimates put the homeless at 3 million. Nearly 10 million people are jobless or workforce dropouts and less than a third of the unemployed receive jobless benefits.

During the campaign, Reagan told a rally, "You ain't seen nothing yet." That's something to worry about.

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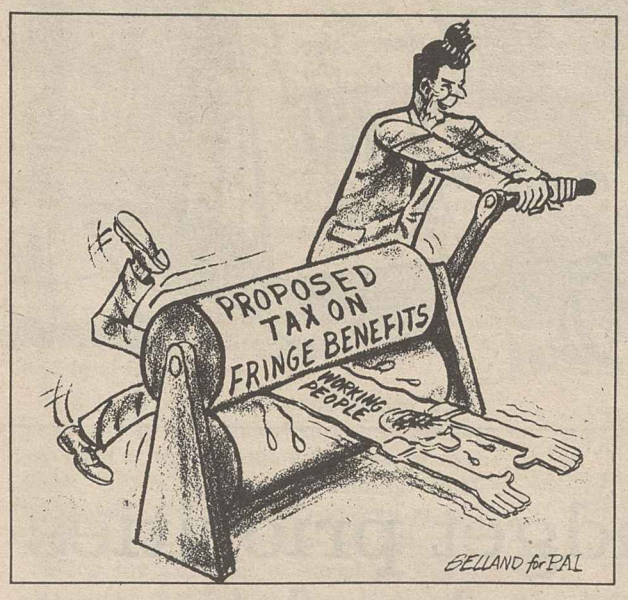
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# LEGISLATIVE ALERT!

# Deficit and Taxes Major Themes of 99th Congress




## Deficit Cuts Could Peril Thousands of Union Jobs

Congress will be looking under every rock and behind every tree to uncover new places to cut programs, reduce costs and make a dent in the deficit.

One plan being tossed around Congress would involve stopping all scheduled increases in federal outlays. This means freezing items like federal pay, Social Security payments, and stopping proposed budget increases in everything from assistance programs to the defense budget.

The plan has two serious weaknesses. First, if all increases were stopped cold, it would still fall far short of the $50 billion sought to put a dent in the deficit. Second, the largest bite would come out of the defense budget -- something few believe Congress will attempt.

Another alternative is outright cuts in existing federal programs. This would be a phase two of the infamous Reagan budget cuts of his first term.

These cuts would threaten the pay or security of virtually every union family in one way or another. Some of the cutbacks now being eyed by Congress for fiscal year 1986 include:

*$1.8 billion from railroad retirement, black lung benefits, food stamps, Social Security, veteran's pensions, and other programs.

*$248 million from Civil Service Retirement

*$120 million from the job corps

*$535 million from Amtrak

*$798 million from mass transit

*$4.5 billion from revenue sharing programs.

These programs are not government give-aways, but represent much of the backbone of our economy. They support thousands of jobs in government, and in the private sector in construction, transportation and other critical industries. However, these programs and many more are on the chopping block this year when Congress begins wrestling with the deficit.

## WE'RE BACK

The Legislative Alert! resumes regular publication now that Congress is back in session.

### *Reagan Administration Seeks to Tax Workers' Benefits*

As the new Congress begins to wrestle with America's near-trillion-dollar deficit, efforts will be made to find new revenues by taxing health care programs and other life support benefits most Americans rely upon during medical and economic emergencies.

Congressional leaders seek to reduce the nation's deficit by at least $50 billion, and the Reagan Administration is already working on a $25 billion tax on the health insurance and other life support benefits.

The plan is part of a so-called "Tax simplification" program, submitted recently by the Treasury Department. However, it is expected that when budget debate fails to bring substantial reduction through program cuts, Congress will look to tax areas for a "quick fix" to bring in large sums of revenue.

Despite the fact that the yearly deficits are largely due to the massive 1981 tax cuts to corporations and wealthy individuals, the likelihood is that Congress will ignore the fat cats and look at the taxation of health care programs, workers compensation, all of unemployment compensation and employer-provided legal services, education benefits and life insurance.

Never mind that millions of working families rely on their health insurance to protect them from medical disaster; never mind that the employer-supported health plans have been an economical alternative to a national health insurance system; the Reagan Administration has decided that these benefits are only "perks" and should be taxed like any other income.

Will Congress go along with the idea? If workers and their families don't speak up, Congress will see this as an easy way to pick up $25 billion. Whether we can stop this assault on the health and economic security of our families will be one of the major struggles in Congress this year.

The AFL-CIO and the U.S. Chamber of Commerce have both issued statements condemning the proposed taxes. Other business and labor groups have announced opposition and have vowed all-out fights.

"The AFL-CIO supports just and fair measures to reduce the deficit," Kirkland said, "but to heap more of the tax burden on working people -- particularly in the areas of health, education, pensions, unemployment insurance and worker compensation -- would result in more injustice, not less."

The Chamber of Commerce statement declared: "From day to day, our social insurance and employee benefits systems help tens of millions of Americans...it makes neither social nor economic sense to reduce these benefits through increased taxation."

A preliminary check of the House and Senate reveals that the overwhelming majority of members have not taken a position and could go either way on the issue. Thus it is important that they hear at once from you voicing your opposition.

Here's how the tax on health care will increase taxes for anyone with a health care program.

If an employer pays more than $70 per month for health insurance for a single person, or more than $175 per month for family coverage, the amount above these figures would be added to the income a worker pays taxes on. If an employer pays $250 per month for family coverage, for instance, taxes would be owed on $75 per month, or a total of $900 at year end.

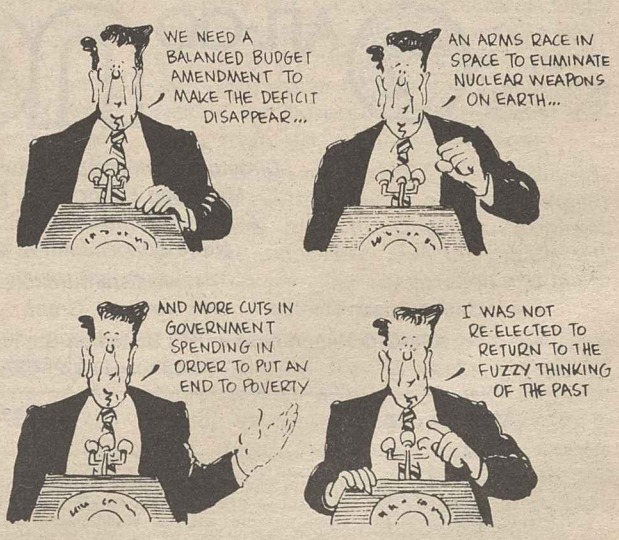
### *Federal Judge Rules for Union*

# Last Year's Bankruptcy Law Victory Continues to Save Jobs and Contracts

A federal judge recently stopped a Minnesota company from using Chapter 11 of the Bankruptcy law to break its contract with a local of the Teamsters union. The ruling saved the jobs and contract benefits of the union workers. The Wisconsin action continued the string of successes wherein not a single company has been able to use Chapter 11 proceedings to break a union contract since the law was changed last year.

In deciding against the company, Judge Robert J. Kressel applied the new law, which the AFL-CIO and union activists across the country helped enact with a massive grass roots letter-writing campaign to congressmen and senators. The law overturned a 1984 Supreme Court decision which allowed employers to tear up their collective bargaining agreements whenever they found them to be a financial burden.

Judge Kressel ruled that the company had the burden of proof in asking for a wage reduction during a reorganization, and American Provision Company had not met that test. He pointed out that the proposed wage reduction would have represented about two percent of the company's total expenses and would be borne disproportionately in relation to total costs. He also ruled that the company had failed to confer with the union in "good faith" on the wage reduction proposal.



AFL-CIO news

VOL. 30, NO. 6
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MEMO FROM COPE
PAGE 8

# Reagan budget blueprint seeks wipeout of domestic programs




**Battling union-busters**

Idaho union members march on state house to protest the anti-union "right-to-work" law passed over the governor's veto and to serve notice on the Republican-dominated legislature that the battle is far from over. The next step is a petition campaign to reverse the action through referendum. (Story, Page 4.)

## *Kirkland says council will shape alternative*

**By David L. Perlman**

President Reagan asked Congress to shrink the non-military functions of government permanently and drastically to keep the deficit generated by his tax policies from bursting out of control.

Reagan claimed victory for his economic program, but said the domestic cuts and military increases enacted during his first term weren't enough.

More must be done, he insisted, "to reduce excessive federal benefits to special interest groups."

The new budget proposal continues to gnaw away at programs for the poor, the elderly and the ill. But it targets also student loans and housing programs. It would cut the pay and pensions of federal workers, scrap the Amtrak passenger train network, encourage shipping companies to have their vessels built abroad instead of in the United States and make veterans over 65 pass a means test before getting VA hospital care.

AFL-CIO President Lane Kirkland expressed labor's dismay at the Reagan budget. He said the federation's Executive Council will propose "alternative solutions" to the deficit problem at its winter meeting, which starts Feb. 18.

Kirkland said the deficit stems largely from the "enormity" of the tax cuts enacted in 1981, which tilted heavily toward the wealthy and businesses. The deficit should be addressed by closing tax loopholes, he urged, and by slowing defense spending.

Reagan asked for a $285.7 billion national defense budget for the fiscal year starting next Oct. 1. That's a $58.3 billion rise from last year and a $31.9 billion increase from the estimate for the current fiscal year.

Labor's position, Kirkland noted, has been that any justified increase in military spending should be accompanied by a tax earmarked to pay for it—not left as a burden for future generations or paid for by cutbacks affecting primarily "the less privileged sectors of our society."

### Unfairness admitted

In his budget message and especially in his State of the Union address later in the week, Reagan acknowledged "unfairness" in the tax system. But he insisted that the goal should be "tax simplification" along the general lines of the controversial Treasury Dept. proposal rather than increased revenue.

Reagan reiterated support for several revenue-losing measures that would add to the budget deficit, including income tax credits for private school tuition and a higher ceiling on tax-deferred IRA accounts for non-working spouses. The top tax bracket, reached only by the highest income households, should be dropped from 50 to 35 percent, Reagan urged. He also backed a rise in the personal income tax exemption to benefit families.

In both messages, Reagan renewed his call for a cut in the minimum wage for teenagers during the summer months—touting it as a "youth employment opportunity wage." His solution to urban pov-

**Continued on Page 3**

# Labor hits scheme to tax key life support benefits

The trade union movement opened a major legislative campaign to defeat proposals to impose a new tax on workers that would target their health insurance and other employment-related benefits.

AFL-CIO President Lane Kirkland wrote members of the House and Senate to express labor's concern at the threat to "life support benefits" that were pioneered by unions but have now become "a fixture in American life."

Employer-provided health and life insurance, dental coverage, child care, prepaid legal plans and other job benefits would be taxed under various "flat tax" measures and the "tax simplification" proposals advanced by the Treasury Dept.

The Treasury proposal would require American workers to pay an additional $24 billion a year in taxes by 1990, Kirkland noted. "Since 75 percent of workers covered by health and life insurance plans earn less than $25,000, this benefits tax would hurt those working people who could least afford it," he stressed.

Such a tax would build pressure on employers in both union and non-union establishments to freeze or reduce employee benefits, Kirkland said.

"Young and single workers would be pitted against older workers and those with families," he warned.

Kirkland's letter to members of Congress noted that more than 90 percent of all full-time workers are covered by health insurance plans and many millions have other job benefits that have become commonplace "with the support of Congress."

Legislation to tax these benefits would breach "a long-standing congressional commitment to encourage these programs," he said. Such a tax scheme unfairly penalizes workers and prevents the continued development of privately financed social and economic benefits.

AFL-CIO Legislative Director Ray Denison said federation affiliates are planning a grass-roots lobbying and postcard campaign to emphasize worker concerns about the attack on benefits and wages.

## *Reagan economic forecast called rosy and unrealistic*

**By James M. Shevis**

Four more years of pie-in-the-sky, "supply-side" Reaganomics and the nation's economy may be beyond repair, the AFL-CIO warned as the Administration presented its economic outlook for the rest of the decade.

In a detailed analysis of the President's Economic Report to Congress and the annual report of the President's Council of Economic Advisers which accompanied it, Deputy Research Director Henry B. Schechter challenged its claims and assumptions.

The President's seven-page report, along with the 343-page CEA document, takes full credit for the recovery of the past two years. It virtually ignores the severe Reagan Recession of 1981-82, with its double-digit unemployment and finds scapegoats to blame for all economic problems.

The Republicans insist that they inherited problems from the preceding Administration, and it is the fault of the Federal Reserve Board that the recession was so long and severe and that economic growth has slowed markedly since last summer.

### Classic squeeze

Rather than the optimistic assessment offered by the President, Schechter noted that a more realistic analysis of economic developments of the past four years shows the Administration resorted to a "classical economic squeeze to reduce economic activity in order to bring down inflation."

True, the Fed played a major role in this effort by pursuing a tight-money, high-interest rates policy, he observed. But the

**Continued on Page 5**

# Rising unemployment trend puts rate at 7.4% for January

The nation's civilian jobless rate rose to 7.4 percent in January, the highest level since last September and a portent of bleaker times for American workers.

The increase of two-tenths of a percent was the second consecutive monthly advance and brought the rate to virtually the same level as last May's 7.5-percent rate. If workers employed part-time because full-time work was not available and "discouraged" workers were factored into the count, the rate would have been much higher.

"This lack of improvement in the unemployment picture over eight months suggests there is little hope for the 8.5 million unemployed unless major efforts are undertaken to provide job opportunities for those who want to work and cannot find a job," the AFL-CIO declared.

President Reagan's latest budget figures show no signs that the Administration is going to do anything to create jobs, Federation Research Director Rudy Oswald said.

**Continued on Page 6**

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AFL-CIO President Lane Kirkland confers with Japanese Prime Minister Yasuhiro Nakasone in Tokyo. Others in the delegation included Kirkland's executive assistant, Kenneth Young; International Affairs Director Irving Brown, and Charles Gray of the Asian American Free Labor Institute, a foreign policy arm of the AFL-CIO.

# *U.S., Japanese labor stress need for 'social criteria' in trade policy*

Tokyo—Leaders of the labor movements of the United States and Japan joined in urging their governments to take "social criteria" into account when they negotiate international trade rules.

In a joint statement following the federation's 16th annual meeting with the Japanese Confederation of Labor (Domei) here, AFL-CIO President Lane Kirkland and Domei President Tadanobu Usami said the case for social clauses in trade agreements between their two countries has become "a greater necessity" in the face of the continuing worldwide economic recession.

"Labor standards—wages and labor costs and their determination, working time, health and safety, social security provisions—become an increasingly important factor in determining the comparative position of trading partners," the statement said.

"Erosion of these social safeguards becomes, in effect, a strong protectionist device."

Addressing the opening-day session of the three-day meeting, Kirkland said social criteria must weigh heavily, not only in bilateral trade agreements, but also in the loan and credit decisions of the International Monetary Fund and the World Bank.

"The policies of international bankers should not be governed by narrow monetary considerations alone without regard to their impact on the living standards and political rights of working people," he declared.

Kirkland was accompanied by his executive assistant, Kenneth Young, AFL-CIO International Affairs Director Irving Brown, and Charles Gray, deputy director of the Asian-American Free Labor Institute. They also met with leaders of Sohyo, Japan's other major labor confederation, and other labor organizations with an eye toward seeking their eventual affiliation with the International Confederation of Free Trade Unions.

### Nakasone meeting

Kirkland also used the occasion of his visit to speak with Prime Minister Yasuhiro Nakasone and other Japanese government officials about the concern of American labor over violations of trade union rights by Japanese companies with manufacturing facilities in America.

He spoke about the use of union-busting management consultants by these companies to advise them on how to get around U.S. labor laws.

The joint AFL-CIO/Domei statement affirmed that the two labor organizations would cooperate in the ICFTU, the International Labor Organization, and the Trade Union Advisory Committee of the Organization for Economic Cooperation & Development in a number of activities to promote a world in which workers "may live in peace and prosperity."

The statement called on the governments of major countries to seek agreements to abolish weapons of war that threaten human survival and to bring about disarmament through negotiations.

"The free trade unionists of the world stand ready to engage in all efforts to reduce both nuclear and conventional arms through mutual agreements and reject any approach based upon unilateral disarmament," the two organizations declared.

The AFL-CIO and Domei also noted that, notwithstanding some slight recovery in the world economy, high unemployment remains a primary concern "and there is the threat of a further increase in the number of unemployed workers throughout the world."

### Rights violations

Participants in the annual meeting also expressed concern over continuing violations of human and trade union rights of workers by governments and multinational corporations in many countries, including Poland, Chile, and South Africa.

"The absence of freedom, especially in the aggressive totalitarian countries, constitutes the greatest barrier to the attainment of world peace," the joint statement observed.

It also pledged the cooperation of the two trade union organizations to strengthen the ILO so that it is able to achieve the objectives for which it was originally established—to set fair international labor standards and protect trade union and human rights.

"It has become more important to achieve international harmonization of labor standards, especially in international trade," the statement said.

The two organizations also agreed to urge the governments of advanced nations to adopt recovery policies that recognize the need for lower interest rates, greater domestic demand, and reduced working hours.

The AFL-CIO also pledged strong support for Domei's efforts to obtain the return of the Northern Territories, occupied and annexed illegally by the Soviet Union.

# Coalition formed to preserve policy on media fairness

The AFL-CIO is working with a coalition of concerned groups in an effort to prevent the Reagan Administration from tampering with the "fairness doctrine" that covers broadcasters.

The fairness doctrine, established 50 years ago with the passage of the Communications Act, guarantees that the public receives a diversity of viewpoints on important issues.

This policy is especially important to labor, the federation said in a statement at the announcement of the formation of the coalition—the Campaign for Free Speech.

"Those who control the electronic media are themselves employers, and have a natural alliance with other employer groups," the AFL-CIO noted.

"Where disputes arise between employers and employees pertaining to employee rights, the fairness doctrine permits the workers' side of such disputes to be aired over commercial television and radio.

"Without the fairness doctrine, only one side of such issues would be aired in many communities throughout the nation. It is no coincidence that the most anti-worker Administration in more than 50 years is behind the effort to repeal the fairness doctrine," the AFL-CIO stressed.

The coalition of 17 member organizations—representing labor, religious, education and civil rights groups—is seeking to prevent the Communications Commission from scrapping or significantly altering the doctrine. Its formation was announced at a Capitol Hill press conference called by Rep. John Dingell (D-Mich.), chairman of the House Energy & Commerce Committee, which has jurisditcion over the FCC.

# EPA scored for delay on asbestos rule

The Environmental Protection Agency's decision to delay regulations on asbestos and to refer questions on the cancer-causing mineral to other agencies is "a blatant kind of action that is being orchestrated by the President's Office of Management & Budget," the AFL-CIO charged.

EPA's unpublished proposal to ban asbestos is still under review by the White House and "OMB is making them do this because it doesn't want asbestos banned," charged Margaret Seminario, the federation's industrial hygienist.

Seminario said EPA has the right and the duty under the Toxic Substances Control Act to regulate asbestos and to phase in a ban over a period of time, while safer substitute substances are introduced. Further, it can require testing of those substitutes, she said.

Instead of regulating the cancer-causing substance, EPA resorted to a never-before used procedure in calling on the Occupational Safety & Health Administration and the Consumer Products Safety Commission to review the need for regulation.

"The bottom line on this is that industry doesn't want asbestos banned, and therefore, OMB doesn't want it either," Seminario charged. OSHA is already considering stiffening its standard on asbestos to provide somewhat better safeguards.

Although EPA has been considering an asbestos ban since 1978 and OSHA has worked nearly as long on a revised standard, EPA is now buying more time before probably deciding not to take any action, Seminario said. She noted that EPA is more likely to deem the actions being taken by OSHA and the CPSC as sufficient.

### Languishing proposal

EPA's proposal to ban asbestos was made in July 1983. It would have ended some uses of asbestos immediately with others phased out over 10 years. But OMB blocked the regulation, claiming that the costs would be excessive.

Under the EPA action, the two agencies will have 90 days to respond to the questions about asbestos and another 90 days to begin actions of their own if they find EPA's position is valid.

EPA is already under fire from labor for "covering up" asbestos dangers. The Service Employees filed suit in January to force the agency to issue stronger regulations for the removal of asbestos from schools and to extend it to all public and private buildings.

SEIU President John J. Sweeney noted that asbestos manufacturers and the government have known for 50 years that "asbestos is a highly dangerous carcinogen and for all those years there has been an effective coverup of the truth." He charged the agency made a "political decision to hide the facts.



# Job safety agenda

Labor's 1985 agenda to eliminate workplace hazards is drafted by the AFL-CIO Standing Committee on Safety & Occupational Health. The committee, chaired by Vice President J. C. Turner, explored actions needed to prevent tragedies, such as the chemical accident in Bhopal, India, which killed more than 2,000 persons. Panel members also focused on the need to improve right-to-know regulations on toxic substances.

# Budget ax aimed at vital programs

There is scarcely a non-military aspect of government that would not be damaged by the budget President Reagan submitted to Congress, and a full accounting requires hundreds of pages of budget documents.

Many programs on Reagan's chopping block are of special concern to the trade union movement.

Other proposed cutbacks threaten to wipe out the remnants of America's family farms, severely reduce federal support for education, performing arts and humanities, and abolish help for small businesses.

State and local governments would be especially hard hit. General revenue sharing would be ended, reducing federal funds at the same time that federal matching grants and other assistance programs are targeted for major cuts. The inevitable effect would be to force cities and states to severely curtail services or raise taxes substantially.

Here is how some key programs would be affected:

## Workers' needs

The Labor Dept.'s budget proposal calls on Congress to reduce the minimum wage for young workers and eliminate the Job Corps, the residential training programs for disadvantaged school dropouts. It also would cut back funds for public-sector summer jobs.

Congress last year ignored the Administration's proposal to lower the minimum wage for workers under 20 from $3.35 an hour to $2.50 during five spring-to-fall months. But Under Sec. of Labor Ford B. Ford said the Administration will renew its push for enactment of what he termed the Youth Employment Opportunity Act. He said lower pay will help young people gain "skills and experience that will enhance their long-term career prospects." Critics suggest the goal is to let fast-food chains reduce their payroll costs.

The Administration said it wants to close down the Job Corps because the residential training program is too costly. It costs about as much as sending a student to Harvard, the budget proposal explained. But it's cheaper than keeping an inmate in prison, a staff analysis by the House Budget Committee retorted.

There is no provision in the budget for continued funding of national programs under the Job Training Partnership Act and staff cuts are mandated for virtually all of the department's components. The prestigious Monthly Labor Review would become a quarterly publication.

The Administration insisted that staff cuts would not reduce the number of workplace inspections by the Occupational Safety & Health Administration, or the number of mine inspections. It said enforcement of wage-hour laws and federal contract compliance "will continue to emphasize voluntary compliance."

## Education

The Reagan Administration proposes to "reform" the college student aid program by drastically reducing both the number to be assisted and the amount of help they can get. The budget explanation complains of a "20-year-binge" of low-income grants, subsidized loans and work-study programs that have "indiscriminately sprayed assistance at students."

It would tighten eligibility for all forms of assistance and limit total federal help, including loans and work programs to a maximum of $4,000 a year. The family income limit for direct federal aid would be set at $25,000 instead of $27,700, and without any offset for high medical expenses or education costs for other family members. The guaranteed student loan cutoff would be set at a $32,500 family income. Low-income families would be required to provide a larger share of education costs and the number of students receiving grants would be reduced by 800,000. Interest rates on loans would be brought closer to the market levels.

Overall spending for elementary, secondary and vocational education would be held under current levels. The Administration budget again calls for a tuition tax credit for parents of children attending private elementary and secondary schools that would reduce federal revenues by $359 million in its first phase and $885 million when fully effective in its third year.

## Transportation

Amtrak is a failure and the United States should abandon the concept of a national passenger railroad system, the Administration contends.

It would end all federal subsidies and let Amtrak fall into bankruptcy, sell off its profitable segments and abandon routes that states and localities don't wish to take over. The amounts due laid-off Amtrak employees under their union contracts would have to come from the sale of Amtrak assets. The Administration does not consider the commitment a government obligation.

The Reagan budget would eliminate operating subsidies for local mass transit and all other assistance except capital grants that are now financed by a penny-a-gallon of the federal gasoline tax. It said some bus drivers are paid too much and subway fares are too low in comparison with the cost of driving private cars.

It would end remaining subsidies for small city airport service, saying passengers can take buses or limousines to larger city airports instead.

Having already eliminated ship construction subsidies, the Administration now wants to end the requirement that U.S.-flag vessels qualifying for operating subsidies be built in the United States. Allowing ship operators to build or acquire their vessels in foreign countries will be more "cost effective," the budget document asserts.

In another transportation-linked change, the Administration also proposes ending the management-funded system of sickness and unemployment insurance for railroad workers and putting them under the regular state unemployment insurance programs. Such a change would have virtually no budget impact, but it is favored by management and opposed by unions.

## Health

While spending for Medicaid benefits for the poor and Medicare for the elderly would rise, both programs would be cut substantially from the level needed to maintain present services.

The projected $1.3 billion "savings" in federal grants to the states for medical care of the poor would require state governments either to increase their share of the cost or cut back benefits.

The Medicare proposals include a freeze on hospital and physician reimbursement. But they also involve higher premium charges on the elderly for Part B medical insurance, a rise in out-of-pocket deductibles which the Administration terms "long overdue," and charges imposed for home health services that are now free.

Veterans over 65 would no longer be eligible for "space available" treatment at VA hospitals unless they meet strict income limitations.

The program of federal subsidies to help reduce the cost of training health care professionals would be totally eliminated because, the Administration contends, "the supply of trained personnel has outstripped the need."

## Housing, development

There would be a two-year moratorium on new commitments for federally assisted housing. It would mean for future years a substantial reduction in public housing construction, rural housing and housing for the elderly and handicapped. The rental housing rehabilitation program, touted just last year as a Reagan Administration "initiative," would be ended.

The Urban Development Action Grant program would be abolished and community development grants reduced.

Again, the Reagan Administration is seeking to end the Economic Development Administration, which it claims has failed to help distressed areas or generate employment, and the Appalachian Regional Commission, which it says is no longer needed because Appalachia is sharing in national economic growth.

## Poverty

There was a pre-budget consensus that programs to help the poor had been so battered in the first Reagan Administration that there wasn't much left to cut. But the President's budget planners found a way.

The work incentive program, which was supposed to make it easier for mothers on welfare to take jobs, would be abolished and more stringent work requirements would be mandated. Unmarried minor mothers who do not live with their parents would no longer be eligible for Aid to Families with Dependent Children (AFDC). As the Administration sees it, putting the responsibility for support on parents would "enhance family stability."

Child nutrition outlays would be cut $654 million by dropping a cost-of-living increase in payments for school breakfasts and lunches and by tightening eligibility requirements to reduce the number of children eligible.

The Legal Services Corp., which provides legal help for the poor, would be abolished and low-income energy assistance would be held to present levels without regard to higher costs.

## Federal employees

The federal civil service has been President Reagan's perennial scapegoat. But government employee unions have good reason for viewing the new budget as the most savage attack yet.

It proposes a 5-percent pay cut for the government's one million civilian employees next January, plus slashes in pension benefits for both active workers and retirees.

The minimum retirement age would be raised, penalties for early retirement increased, the cost-of-living adjustment on pensions eliminated for one year and then permanently reduced through changes in the formula. Computation of the initial pension would be based on a five-year rather than a three-year salary range, and unused sick leave would no longer be credited toward length of service.

Health benefit contributions by the government would be reduced through a new voucher system and some 35,000 jobs would be targeted for elimination on top of cuts made during Reagan's first term.

The Administration defends the proposals by claiming that government pay is "relatively high" and employee benefits are "liberal."

# *Reagan uses deficit as excuse for more slashes*

**Continued from Page 1**

erty again was to urge enactment of "enterprise zone" tax and regulation concessions intended to attract businesses and "create a new generation of entrepreneurs."

As he had in proposing earlier cuts in social programs, Reagan insisted that "the social safety net for the elderly, disabled and unemployed will be left intact."

But in fact, his budget would require additional out-of-pocket payments by the elderly and poor for health care, the Job Corps would be abolished as too costly, and low-income workers would be taxed on unemployment benefits.

The President proposed to make it easier for public housing residents to acquire ownership of the apartments in which they live. At the same time, his budget called for a two-year halt to any new housing assistance or construction for low-income families.

He called for still further deregulation, an end to farm price supports, lifting of all controls on natural gas prices—and a new round of tariff cuts.

"We have seen the benefits of free trade and lived through the disasters of protectionism," the President said. His budget included a request for Congress to "rescind" a $5 million appropriation for a study of plant closings, many of which have stemmed from import policies. Such a study isn't needed, the Administration contends.

Reagan's first budget after taking office projected that his economic policies would produce a balanced budget by the 1984 fiscal year, with a surplus for both the current year and fiscal 1986.

### Deficit spending

The President's proud claim in his State of the Union speech that "we did what we promised" clearly did not refer to budget deficits that the Administration estimates will total $587.6 billion over the three years. But as he has in proposing previous high-deficit budgets, Reagan said the solution is a constitutional amendment that would "require that the government spend no more than it takes in."

Overall, the President's budget request is for $974 billion in outlays and it estimates $794 billion in revenues. Both the outlays and revenues are substantially increased by inclusion of the self-supporting social security system.

The budget terminology often makes exact comparisons difficult, since programs are sometimes measured against a "current services" figure which represents the amount needed to keep a program on its present course. In entitlement programs, that might mean benefits adjusted for cost-of-living changes. In a military budget, that might involve plans for multi-billion dollar expenditures stemming from weapons decisions previously made.

In the budget documents, spending cuts proposed by the Administration are invariably referred to as "reforms." Thus the proposed cut in federal pensions is described as "civil service retirement and disability reform." A proposal to raise postage charges for publications of nonprofit organizations, including unions, is a "postal service subsidy reform."

The President's budget proposals go now to the congressional committees responsible for shaping the budget resolutions to be acted on by the House and Senate.

An analysis by the staff of the House Budget Committee reinforced labor's criticism.

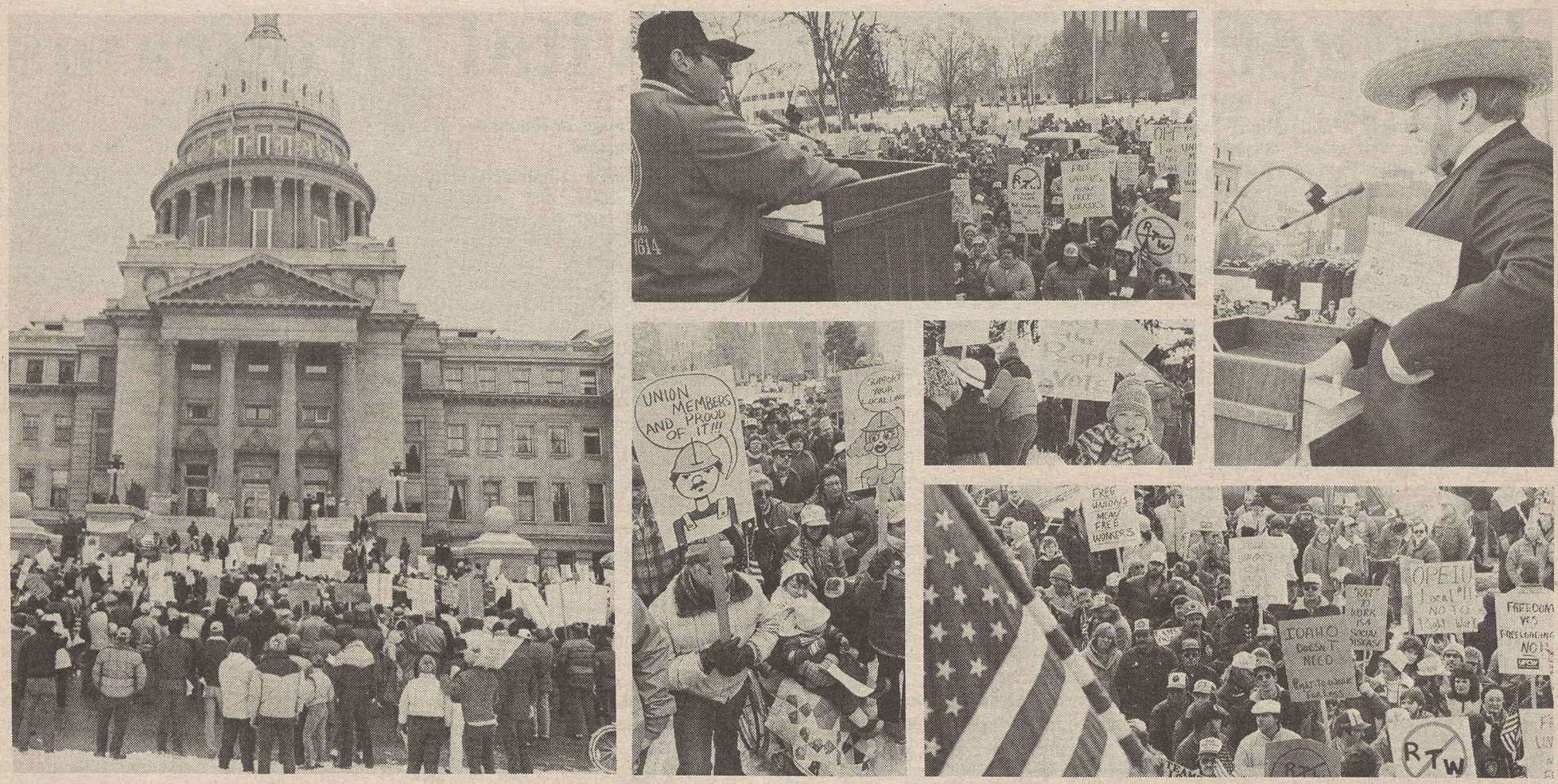
The rise in the deficit under Reagan, the staff report stressed, "is not the result of uncontrolled domestic spending, but rather of large tax cuts, rising defense spending, and rising interest rates resulting from these policies."

### O'Neill's pledge

Senate Republicans, unhappy with the advance warnings of the Reagan budget, had hoped to have an alternative budget in shape that would pre-empt the White House version. But they missed their self-established deadline, unable to reach a consensus.

In the Democratic-controlled House, an apparent good-will gesture by Speaker Thomas P. O'Neill, Jr., wasn't drawing any rave reviews from Republicans. O'Neill assured the President that the House will have an opportunity to vote on the Reagan budget.

But House Republicans, taking a good look at the budget's contents, didn't seem at all eager for the opportunity.




Union members from across Idaho rally at the state capital to protest the legislature's vote to outlaw union shops.

# *Battle rages against union shop ban in Idaho*

Boise, Ida.—Angry and determined union members have launched a petition campaign to overturn a "right-to-work" law that would make union shops illegal in Idaho.

A legislature dominated by right-wing Republicans overrode a veto by Democratic Gov. John Evans. But a court challenge raised by the Idaho AFL-CIO raised serious doubts about the validity of its action.

The state's trade union movement is challenging the action of the legislature in designating the "right-to-work" measure an "emergency" bill—a category that allows it to take effect immediately on enactment.

Without such a designation, a petition signed by some 33,000 Idaho voters could keep the legislation from taking effect unless it is approved in a referendum vote at the next general election—in November of 1986.

The last time "right-to-work" was on the Idaho ballot—in 1958—it was rejected by the voters.

If the emergency clause is upheld, and if the legislation isn't invalidated by constitutional questions the state labor federation has raised, the union shop ban would be in effect until rejected in a referendum or repealed.

## Thousands protest

One of the biggest and most colorful labor demonstrations of recent years brought thousands of union members to Boise for a march that ended at the steps of the statehouse. The protest was sponsored by United Labor of Idaho, which includes unions not affiliated with the AFL-CIO.

Workers carried American flags and signs proclaiming, "Right-to-work means work for less" and "I'm Idaho, I'm union and I'm Mad," among others. A state director of the Communications Workers dressed as a plantation overseer won cheers of his spoof of the anti-union organization pushing the legislation.

But the biggest cheers went to Kurt Julekowski, a native of Poland and a member of the Graphic Communications Union in Boise.

"I know about dictatorships. I lived in a dictatorship," he said. He came to America, Julekowski told the rally, "for the right to work in a union," under a union contract.

In his veto message, Gov. Evans said the legislation would disrupt labor relations in the state and interfere with efforts to revitalize the state's economy.

"Out-of-state interests promoting the 'right-to-work' issue are sowing dissension where none exists," he said.

At least one Republican senator had told reporters privately that he didn't see any need for the legislation. But he nevertheless swallowed his misgivings and the vote to override was by the same two-thirds margin by which the Senate had already passed it—with all Democrats opposed and all Republicans supporting it. In the House, three Republicans voted with the Democrats but the GOP majority had votes to spare.

## Legal challenge

Apart from the effective date of the legislation, union attorneys have challenged provisions of the law that would impose criminal penalties for picketing to achieve a union shop, "intimidation" of a worker to join or pay dues to a union or refusal to work with non-union employees.

The legislature quickly let Idaho union members know that "right-to-work" wasn't the only gun in its anti-union arsenal. At the same time they were overriding the governor's veto, the House and Senate took up and passed a bill to repeal the state's prevailing wage law, which is based on the federal Davis-Bacon Act.

# Athletes see hazard in bills to expand antitrust immunity

Legislation that would grant owners of professional sports franchises additional antitrust immunity and an open field to pool all revenues should be whistled dead, the Federation of Professional Athletes testified at congressional hearings.

FPA President Gene Upshaw, who is also executive director of the National Football League Players Association, charged that the bills would largely benefit NFL owners who are using franchise relocation curbs as a smokescreen, but "revenue sharing is what they really want."

Upshaw testified at Senate Commerce Committee hearings that the "NFL blatantly trades expansion franchises as the currency for obtaining additional immunity from the antitrust law."

He opposed a bill sponsored by Committee Chairman John C. Danforth (R-Mo.) because it "appears to confer unreviewable control over the franchise moves to sports leagues and displaces vital antitrust scrutiny by the courts."

## Pooling prospects

Upshaw warned that "any general exemption for pooling revenues could encourage the sale of championship games to pay or subscription television and remove such games from free network television."

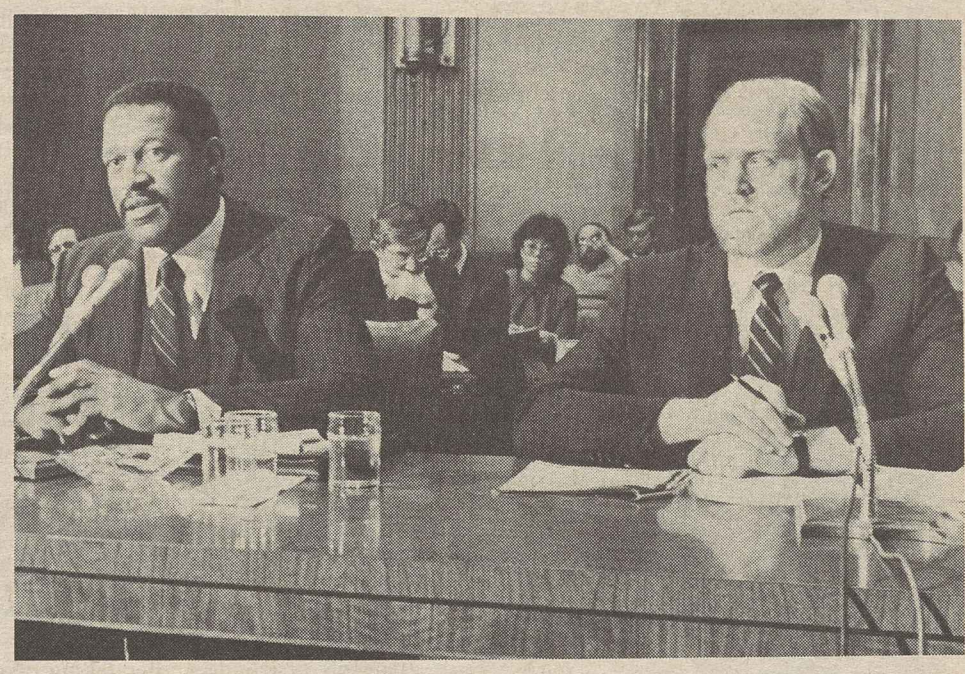
Blanket immunity on revenue pooling will erode the ability of players to negotiate salaries that fairly reflect an athlete's true value, Upshaw told the committee. He noted that current revenue pooling allowed under 1961 broadcast exemption provisions has "contributed to a total lack of player mobility" within the NFL and has hampered other leagues' efforts to gain access to the networks.

## Recycled measure

Upshaw branded another measure sponsored by Sen. Dennis DeConcini (D-Ariz.) "private special legislation for the sole benefit of the sports entrepreneurs." In testimony before the Senate Judiciary Committee, Upshaw said the bill strongly resembles a predecessor bill introduced by DeConcini in the 97th Congress that the NFLPA opposed as "unwarranted and unwise."

Legislation proposed by Sen. Arlen Specter (R-Pa.) and another bill cosponsored by Sen. Slade Gorton (R-Wash.) and Sen. Russell B. Long (D-La.) both provide some form of review on the owners' franchise decisions and Sen. Specter's measure would not allow any extension of revenue pooling. Upshaw said these two measures were slightly more palatable.

He stressed that the FPA feels no additional legislative action is needed at this time. "The antitrust laws are sufficiently flexible to accommodate the special needs of professional sports. . . . There is simply no warrant for insulating league decisions from judicial review or for permitting a group of owners to operate in ways that ureasonably restrain competition."



Pro Athletes President Gene Upshaw and Sec.-Treas. Doug Allen testify.

# Telegraph union OKs limited pay cut

Rockville, Md. — Telegraph Workers at Western Union voted two-to-one to accept a temporary, 10-percent pay cut to help shore up their financially troubled company. In addition to the 7,400 UTW members, about 600 Communications Workers agreed to a similar reduction.

UTW Sec.-Treas. Jerry Grim said the agreement on the temporary cuts also stipulates that the employees will be given a share of ownership in the company.

Grim stressed that the pay reduction will end with the July 28 expiration date of the current three-year contract, which has provided raises of about 22 percent. The accord for the temporary cuts specifies that when negotiations begin on a new contract, wage bargaining will begin from the full negotiated rates, not the cuts, he said.

Union employees at Western Union include technicians, operators, messengers and satellite controllers. The company said its 6,000 non-bargaining unit employees have also agreed to a six-month 10 percent pay cut.

# *Economic report takes cheery but unrealistic approach to problems*

**Continued from Page 1**

President's policymakers went at it with a vengeance, cutting taxes, primarily for high-income individuals and corporations, and meataxing budgets for social programs in favor of higher defense spending. These measures in turn led to gargantuan deficits and interest costs on the debt, which former CEA Chairman Martin Feldstein last year warned contain the seeds of economic catastrophe.

The CEA report characterizes the policy direction of the past four years as a "clear and consistent set of principles, of which the most important have been reliance on markets and maintenance of a long-run policy orientation."

So much hogwash, Schechter said in suggesting: "That policy might be rephrased as putting the economy on automatic pilot and praying for a soft landing."

Schechter said the Administration's rosy outlook for 1985 and for continued growth through 1990 doesn't square with reality, given the tremendously complex problems buffeting the economy.

"It's a fairy tale," he said. "No Administration is going to point to declines ahead, and there is nothing in the report about what they're doing to bring down the record merchandise trade deficit, the continuing strong dollar, historically high unemployment, and the soaring budget deficit."

The Economic Report, which is required to be submitted to Congress annually under the Employment Act of 1946, dismisses the effect of deficit spending on the economy yet attributes the fragile 1983-84 recovery to the President's 1981 tax reduction plan.

### Stimuli to economy

"That stimulative effect of the tax reduction, plus the increased budget for defense expenditures, served as a Keynesian stimulus, which brought whatever recovery there's been," Schechter observed.

While stressing the need for action on the budget deficit — "the federal deficit must be reduced"—the report says merely that if federal spending is not slashed sharply, taxes will have to be raised.

"The decision to reduce expenditures or increase taxes is fundamentally a political choice," the report states.

"Reducing the growth of total federal expenditures may require a substantial reduction in expenditures for some programs and the termination of others."

As the President's fiscal 1986 budget makes painfully clear, any program reductions or terminations would come from federal social programs for the poor, the elderly and the middle class.

In a section on the economic status of the elderly, the report tries to make the case that the aged are no longer a disadvantaged group because of increases in social security benefit levels, expanded coverage, and cost-of-living adjustments.

But Schechter disputed that contention, pointing out that "there are still large numbers of elderly people living below the poverty level, particularly single elderly women and black elderly people."

At a White House briefing on the CEA report, William Niskanen, the only remaining member of the council, told reporters one reason why large deficits have been allowed to continue is that they have not produced the "apocalyptic" consequences, such as more inflation or a recession.

The deficits "are better described as a slow-acting but potentially lethal cancer that must be dealt with sooner rather than later," he said.

Other highlights of the report:

**The 1985 Outlook**—"Real" gross national product, or total output adjusted for the impact of inflation, is expected to increase 4 percent from the fourth quarter of 1984 to the fourth quarter of 1985. This is down from 5.6 percent during the comparable year-earlier period.

Civilian unemployment this year is expected to decline slowly to 7 percent in the fourth quarter. This compares with a 7.1 percent average rate last year and January's rate of 7.4 percent.

Other economic assumptions call for moderate expansion in the money supply, an average inflation rate of 4.3 percent over the four quarters of 1985, and a 1.7-percent rise in output per hour. The price rise, as measured by the government's broad GNP "implicit price inflator," is above last year's 3.5-percent inflation rate and output is below the 1984 rise of 2.2 percent.

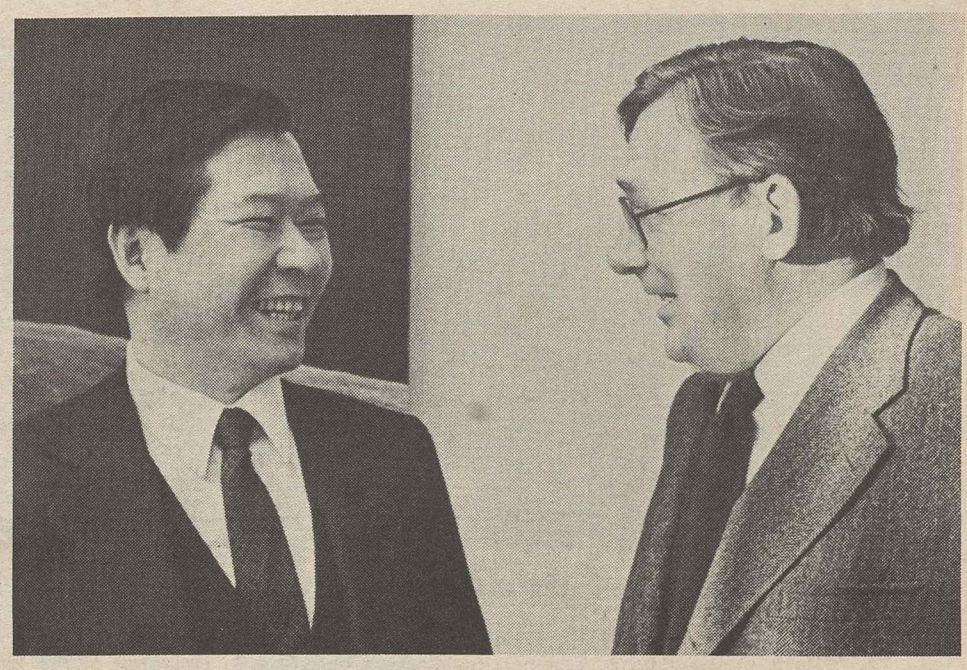
**The Outlook for 1986-90**—Real GNP is projected to grow at an average of 3.9 percent a year for the rest of the decade. The projection is based on an assumption that both employment and productivity will grow at an average annual rate of about 2 percent.

Even so, unemployment is projected still to be historically high, declining negligibly to 6.9 percent by the end of 1986 and not below 6 percent until 1990. Inflation is seen at about 4.2 percent through 1987.

**Labor Force Growth**—In an overview of labor market conditions, the CEA pointed out that labor force growth has slowed in recent years and its rate of expansion is expected to remain below the 2.4-percent average annual growth rate from 1973-81.

Due to a more modest influx of women into the labor force and a declining teenage population, the labor force is projected to rise by about 1.8 percent a year between now and 1990.

**Average Weekly Hours**—Average weekly hours of workers in the private nonfarm economy are projected to drop by two-tenths of 1 percent annually between now and 1990.



## Home to Korea

Kim Dae Jung, Korean militant for political democracy, visits AFL-CIO President Lane Kirkland before returning to his homeland after two years' exile in the United States. Their discussion at federation headquarters focused on human rights issues in South Korea. Although he faces possible imprisonment, Kim told Kirkland he plans to work to unite democratic opposition to the repressive incumbent regime of Gen. Chun Doo-hwan.

# IUD prods Congress to act on occupational disease bills

Hollywood, Fla.—The AFL-CIO Industrial Union Dept. called for new federal legislation to protect victims of occupational disease through notification, medical assistance and compensation.

In a resolution adopted at its January meeting here, the IUD executive council pointed out that "there is no national program either to systematically prevent disease among exposed workers . . . or to insure early detection, timely treatment, and fair compensation when work-related disease arises, or death strikes." The IUD called specifically for two new laws: a National Occupational Disease Compensation Act and a National Occupational Disease Notification & Prevention Act.

### Assaults on OSHA

The resolution said the new laws are needed to protect workers and their communities from health hazards and exposure to toxic substances. According to the National Institute for Occupational Safety & Health, about 100,000 U.S. workers die of occupational diseases every year.

The department cited continuing assaults on the Occupational Safety & Health Act "by right-wing social revisionists" and urged that the program be protected from "weakening amendments and crippling budget and personnel cuts." The IUD called for action "against those in the Administration" who are eroding enforcement of the safety law.

The resolution also stressed the need for changes in the Superfund and Toxic Substance Control laws to assure adequate protection for workers and communities.

"Superfund must be re-written to create adequate financial and other resources to clean up toxic waste dumps and to compensate victims of toxic waste exposure," the resolution declared.

In other business, the council elected a board of directors for the IUD's Legal Rights Foundation, established to help win fair compensation for workers who contract occupational diseases. IUD President Howard Samuel and Sec.-Treas. Elmer Chatak hold the same offices with the foundation.

Board members are Owen Bieber, Auto Workers; Frank D. Martino, Chemical Workers; Jay Mazur, Ladies' Garment Workers; Joseph M. Misbrener, Oil, Chemical & Atomic Workers; Charles H. Pillard, Electrical Workers; Jack Sheinkman, Clothing & Textile Workers; Milan Stone, Rubber Workers; John N. Sturdivant, Government Employees; John J. Sweeney, Service Employees; J. C. Turner, Operating Engineers; Lynn Williams, Steelworkers; and William W. Winpisinger, Machinists.

# Changes imposed on prevailing pay by Labor Dept.

The Labor Dept. has put into effect two changes in Davis-Bacon Act regulations that were allowed by a federal appellate court over objections raised by building trades unions.

The new regulations were among those proposed by the department in 1982, some of which the courts have allowed and others which the courts invalidated.

Both of the new changes deal with the determination of prevailing wages that must be paid by contractors on federally funded or federal assisted projects.

One specifies that pay data from other area projects covered by Davis-Bacon will not be used to set wages for building contracts unless there is not enough other pay data to make a prevailing wage determination. However, federal project data will still be used in setting wages for heavy and highway projects.

The other change allows wage data from surrounding counties to be used in the absence of sufficient in-county data only if it does not involve using urban rates for a rural county or rural rates for a metropolitan area county.

A federal court injunction continued to bar the Labor Dept. from imposing a rule allowing greater use of semi-skilled and lower-paid helpers instead of journeymen. But the department has the right to resubmit a revised proposal along those lines for court approval.

# Study shows highest-paid got biggest raises

A new government study of workers' earnings over the past year bears out the old saw, "The rich get richer, the poor get poorer."

In a complex report on usual weekly earnings of workers and their families, the Bureau of Labor Statistics said that among the major occupational groups median earnings were highest for those in executive, managerial, and professional positions. Their over-the-year pay gains come to nearly 10 percent while pay gains for production workers were held to about 2 percent.

Most workers found their earnings essentially unchanged and, when expressed in terms of inflation-free dollars, actually less than a year earlier in some instances.

On a fourth-quarter 1983 to fourth-quarter 1984 basis, median earnings for families with wage and salary workers rose by 5.9 percent to $513 a week, BLS reported. After allowing for price increases over the year, the rise was pared to 1.6 percent.

Contributing to the increase was a rise in the number of families with two or more workers and a drop in the number of families with only one worker. Multiworker families increased by 1.1 million while one-earner families declined by 672,000.

### Individual raises

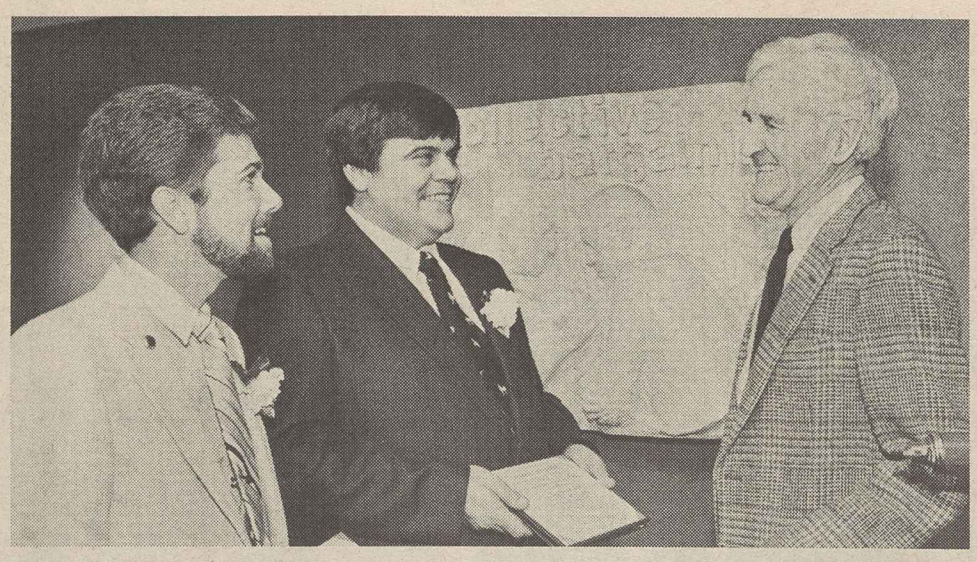
Median weekly earnings of individual wage and salary workers rose 5.4 percent to $337 over the year. But after allowance for inflation during the period, the rise was only 1.1 percent.

In terms of broad occupational groups, however, the only significant pay increases were pulled in by the bosses—those classified as "managerial and professional." Their median weekly earnings rose by 9.8 percent to an average $494, up $44 from the year earlier level. After allowing for inflation, the gain was 5.4 percent.

Workers in five other major groups—operators, service workers, production and craft, technicians and sales people, and farming, forestry, and fishing—showed either very small increases in "real," or inflation-free, earnings, or actual drops in purchasing power.

Workers in service occupations, for example, drew median weekly earnings of $209 in fourth-quarter 1984, up but $3 from the year-earlier level. When adjusted for the impact of inflation over the year, their earnings were actually down 2.6 percent.

Precision production, craft, and repair workers posted median earnings of $390 a week last year, up only $9 from fourth-quarter 1983 and, in real terms, down 1.8 percent over the year.



## Labor studies graduates

Bachelor of arts degrees from Antioch University were awarded to Glenn W. Harris of the Food & Commercial Workers and Don A. Hampton of the Firemen & Oilers for work done at the George Meany Center for Labor Studies. They are commended by Fred K. Hohler, Jr., right, executive director of the center, which operates the degree program with Antioch.

# Rising unemployment trend puts rate at 7.4% for January

**Continued from Page 1**

"Instead, the Administration would abolish such proven training programs as the Job Corps and abolish urban development programs and halt public assistance for low- and middle-income housing," Oswald pointed out.

"These few remaining job-creating programs which escaped earlier Administration budget-cutting should not now be sacrificed as an alternative to raising revenues to provide some hope for the unemployed."

The increase in the unemployment rate was the third recent piece of bad economic news. A decline in the government's index of leading economic indicators in December—the fifth drop in seven months—and the largest trade deficit in history—$123 billion last year—point to growing employment problems in the future, Oswald said.

"The fruitless job search is particularly disheartening for minorities whose unemployment rate stands at 15 percent, or one out of six black Americans," he said.

The economy must grow fast enough to meet the demands of a growing labor force, and to replace jobs lost to trade displacement and automation, Oswald observed.

"The so-called recovery of the last year has failed to meet this need, and the Reagan Administration offers little hope for improvement," he said.

Commissioner Janet L. Norwood of the Bureau of Labor Statistics, which releases the monthly report on employment and unemployment, told the congressional Joint Economic Committee that it will be "very difficult" to reduce unemployment if the labor force continues to grow about 3.5 percent a year.

### Growth falls short

"The employment gains in January were not large enough to absorb an increase in the labor force, and unemployment, therefore, rose," Norwood noted.

Total civilian employment last month rose a modest 118,000 to 106.3 million jobs, according to the government's survey of households. The labor force shot up by 411,000 to 114.8 million, however, resulting an increase of 293,000 workers officially without jobs, to 8.5 million.

In addition, there were about 5.4 million Americans employed only part-time because they could not find full-time work and 1.3 million who had given up looking for work in the belief they could not find any.

The AFL-CIO Dept. of Economic Research calculated that if half the part-time workers and all the "discouraged" workers were factored into the equation, true joblessness would total 12.6 million for an unemployment rate of 10.8 percent.

The jobless rate for men last month was unchanged at 6.3 percent, but the rate for women rose from 6.4 to 6.8 percent, BLS said. The teenage unemployment rate rose from 18.8 to 18.9 percent.

# Rubber Workers put top priority on catch-up pay gains

St. Louis—General wage increases will top the list of priorities in coming negotiations between the Rubber Workers and major tire manufacturers, the URW policy committee announced.

Master contract talks are scheduled to open in early March with Goodyear, B. F. Goodrich, Firestone and Uniroyal. Some 36,000 of the URW's 130,000 members are covered by three-year agreements at the "big four" companies which will expire Apr. 20.

During the depths of the Reagan recession in 1982, URW bargainers focused on job security and bypassed general wage increases for the current contract.

URW President Milan Stone told the 250-member policy committee conference here that the tire industry has bounced back from its financial problems.

"The rubber industry has done rather well since we last met and they are expected to do well in 1985," Stone said. "We realize the industry still has some problems. However, I think it is only right and proper that we get a fair slice of the economic pie."

The URW will also seek improvements in pensions, job security protections against plant closings and relocations, continuation of the cost-of-living increases won in 1982 with the big four companies and their extension to smaller companies, protection of workers against increased health care costs, a check-off for voluntary contributions to COPE, and higher shift-differential pay.

## Landmark struggles recalled

# Rustin terms workers key civil rights force

**By Gordon Cole**

For nearly a half-century, Bayard Rustin, chairman of the A. Philip Randolph Institute, has been fighting for the extension of freedom in many parts of the world.

At the George Meany Center for Labor Studies, where he is a trustee, it was evident last month that his fires still burn bright at 75. The veteran civil rights leader was commencement speaker at the center's graduation exercises, and he enlisted his audience in the struggle. Rustin explained:

"Since 1938, wherever I was in this world, the one thing that could be depended on for the extension of democracy were the working men and women who were prepared to withdraw their services in the interest of freedom of all kinds."

Rustin recounted his experience in India where he visited Mahatma Gandhi in 1938. He found that it was trade union leaders who convinced Gandhi that Indian workers could free India from British rule by spinning their thread, weaving their cloth, and making their own clothes.

### Worker power

"Once the clothing industry was taken from the British and put in the hands of Indian workers, the British had to listen to Gandhi," he recalled.

In Israel, which he first visited in 1946, Rustin found that Israel was created and fought for by the trade unions as homeland for Jews. "It was union leaders who organized Israel's army and much of its industry," he said.

In 1952, the late A. Philip Randolph, then president of the Sleeping Car Porters, sent Rustin to Africa where he worked in Ghana and Nigeria. "In both countries, the freedom movement rested on the backs of workers," he reported.

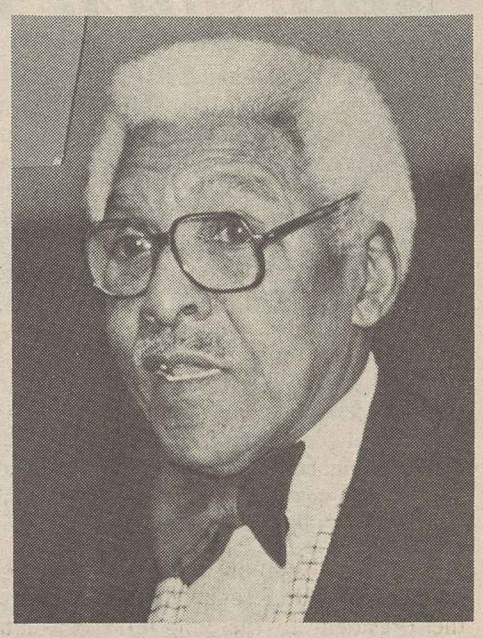
In 1941, with the United States preparing for war, Randolph met with President Franklin D. Roosevelt. He threatened to bring 100,000 people to the nation's capital to protest discrimination.

Randolph reported that FDR told him he couldn't bring 100,000 blacks to Washington since there was no place for black people to eat, no place where they could sleep and no place where they could go to the toilet. Everything was segregated.

### Executive orders

At Randolph's insistence, Rustin said, FDR issued three Executive Orders resulting in the creation of the Federal Employment Practices Commission (FEPC).

Randolph, who later became an AFL-CIO vice president, used the same tactics with President Harry S. Truman in 1947, when he threatened to ask young blacks not to register for the armed forces to fight for democracy when they lacked freedom in their own country. HST issued an Executive Order banning discrimination in the armed forces.



Bayard Rustin

"Two months ago workers called for a two-day strike and that strike was successful. Practically nothing in South Africa moved — buses, trains, mining. They arrested the leaders. A few days later they discovered that they had better let those leaders go."

To warm applause from the commencement audience, Rustin concluded: "Working men and women are at the heart of every movement to extend democracy."

"A union leader achieved massive miracles by asking workers to be willing to march to Washington," Rustin stressed.

### Miracle in Poland

He reported on his more recent visit to Poland where he met with Lech Walesa:

"The miracle of Poland is that workers in a communist state have been able to do what couldn't be done in any totalitarian state. Solidarity still exists for the basic reason that if you have to produce goods as Poland does, and if the people who purchase goods will not cooperate, they prove the truth that in this world there are no masters, there are only slaves. And so long as people will submit to being dominated they will be dominated."

In Grenada, which he visited last year, Rustin found that only two groups fought the dictatorship there—churches and the workers. He reported that most of those jailed in Grenada and freed when the United States finally went in were workers.

In South Africa, which he visited twice last year, Rustin was told that only those who are in South Africa day in and day out can break the back of apartheid and bring about democracy. And that is why black workers in South Africa have become the spearhead of the anti-apartheid campaign.

*Gordon Cole, former editor of the Machinist newspaper, is an adjunct senior associate at the studies center.*



## Steel bargaining prep

Steelworkers President Lynn Williams addresses a luncheon session of the union's Basic Steel Industry Conference in Washington. More than 350 USWA local leaders took part in the conference, the first in a series to prepare for next year's contract talks. The financial condition of the industry was a focal point of the discussions. The USWA also held its first mini-mill conference for local representatives of smaller plants in Washington.

# EDITORIALS

## Reagan's Message

THE BEST and also the worst one can say about President Reagan's determinedly optimistic State of the Union address is that he probably believes it.

The President glowingly pictured a reborn America, freed from a choking web of government restraints by the unleashed forces of free enterprise.

The magic formula the nation has discovered, Mr. Reagan told us, is that on matters economic "conventional wisdom" must be challenged.

To refresh the record, it was once conventional wisdom of Republicans and conservatives generally that deficits do matter.

Was it really President Reagan, in his first inaugural address, who lectured us in these words: "You and I as individuals can, by borrowing, live beyond our means, but only for a limited period of time. Why should we think that collectively, as a nation, we are not bound by that same limitation?"

NOW, with lip service to a clearly unworkable constitutional amendment to compel a balanced budget, the President shares with us his discovery that "pushing down tax rates has freed our economy to vault forward to record growth."

Yet even Republicans in Congress who profess to be faithful acolytes of Mr. Reagan find it impossible to be as indifferent as the President to the long-term consequences of his budget and tax policies.

In their hearts, it seems, they know that deficits really do matter.

Within the Administration, the hard-line ideologues of the right see concern over the deficit as an opportunity to complete the conservative revolution and shrink the non-military role of the federal government to as near invisibility as modern society will allow.

The constitutional role of government to "provide for the common defense" would presumably be met. But only through neglect of the co-equal directive, to "promote the general welfare."

THERE WAS eloquence in the President's delivery of his annual report to Congress and the nation, and this is a President who has shown that he can inspire and reassure people.

But the eloquence, unfortunately, was too often the sugar-coating of an otherwise unpalatable message.

Who, on hearing it, would not welcome the President's call for passage of "our youth employment opportunity wage proposal" so that "we can help teenagers who have the highest unemployment rate?"

But would it go down so smoothly if Mr. Reagan said the minimum wage for teenagers should be reduced so that the fast-food chains can pay the youngsters they hire $2.50 an hour instead of $3.35 for frying hamburgers—or perhaps replace some older workers?

These are the things the labor movement must point out, over and over again if necessary.

We will join the applause when there is something substantive to applaud.

## Not So Simple

EVEN AS the President was asserting the doctrine of lower taxes to unleash the genius of the private sector, his Treasury Dept. was advancing a proposal to tax employer-provided benefits that Congress has long encouraged as an alternative to government-funded programs.

In the name of tax simplification, workers would pay higher taxes if they were covered by such common work-related benefits as health and life insurance, or educational assistance.

The mischief goes beyond the issue of a concealed tax increase. As AFL-CIO President Lane Kirkland noted in his lettter to members of Congress, employers would be under pressure to freeze or reduce worker benefits. And because of the varying tax impact, "young and single workers would be pitted against older workers and those with families."




**Washington Window**

# Sniping attacks generate social security concerns

**By Press Associates, Inc.**

Congress in 1983 enacted legislation recommended by a bipartisan commission to ensure the solvency of the social security retirement program as far into the future as reasonable projections can be made; that is about 50 to 75 years.

That legislation was supposed to have ended the anxiety about the future of the 50-year-old social insurance program. That anxiety had been fueled by the Reagan Administration's continued attempts to slash the program's benefits in the name of saving it.

President Reagan's record-breaking $200 billion budget deficits resulting from his first-term tax giveaways and military spending excesses have created a crisis atmosphere. So, once again, social security is viewed as a target for deficit reduction.

A year ago, Reagan and his top Administration officials began raising doubts about social security and trying to associate the program, which is running healthy surpluses, with the federal deficit problem.

Former Treasury Sec. Donald Regan told NBC's "Meet the Press" last May that the government would "re-examine whether beneficiaries at the upper end of the scale really need social security," implying that the entitlement program should be a means-tested welfare program.

### Early warning

Last March, Reagan told the New York Times that he would be looking at "revamping" social security after the November elections, especially for future retirees.

During the fall 1984 presidential debates, Democratic candidate Walter Mondale scored big points for social security when Reagan, on the defensive, pledged not to seek benefit cuts for either current or future retirees. Constrained by his campaign promise, Reagan exempted social security retirement from his proposals to cut domestic programs drastically.

But Reagan hedged on his pledge at a Jan. 9 news conference when he said that if "an overwhelming bipartisan majority of Congress" wanted to eliminate or reduce next year's social security cost-of-living adjustment to help reduce the deficit, "I would have to look at that situation." Such a move has been suggested by influential Republicans in Congress, including Senate Majority Leader Robert Dole (Kan.), who served on the bipartisan commission on social security.

### Another 'flip-flop'

The National Council of Senior Citizens accused Reagan of "another flip-flop" on social security and promised it would, if necessary, "lead its members into the streets in protest against any attempt to freeze the COLA."

The NCSC cited a recent study by Data Resources that a one-year COLA freeze would push an additional one million senior citizens below the poverty line.

The 1984 Democratic Party platform stated, "There is no excuse for slashing social security to pay for excesses in other areas of the budget. We will steadfastly oppose such efforts, now and in the future."

One Democrat who plans to hold his party colleagues to that pledge is Rep. Claude Pepper of Florida, the 84-year-old chairman of the powerful House Rules Committee. Pepper is the only member of Congress who served during the presidency of Franklin D. Roosevelt, when social security was created.

Speaking recently at the National Press Club, Pepper drew laughter and applause when, recalling Reagan's campaign pledge, he said, "We Democrats are supporting President Reagan in protecting social security."

When cutting COLAs are considered, "we're talking about the living standard of millions of Americans," Pepper continued. "One-half of all social security recipients rely on it for at least half of their income," he said.

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# MEMO FROM COPE

### Maybe So . . . Maybe No

## The GOP's 'Golden Era'?

Republican spokespersons are beginning to talk like they command an irresistible army. They envision their party and their candidates storming through the demoralized opposition like Patton charged through Europe.

One, Sen. Paul Laxalt (Nev.), by all accounts President Reagan's best friend and adviser in the Congress and the GOP's general chairman, enthuses this way: "We're on the threshold of a golden era in Republican politics."

Such a "golden era," should it materialize, would see the GOP in 1986 retain numerical control of the U.S. Senate (not easy—22 GOP seats and only 12 Democratic seats are up, and the present GOP Senate margin is only 53-47); and hold its own or even regain the ideological control of the U.S. House it had in 1981-82, even if it's unable to fully close the gap on the Democrats' present 70-seat lead.

A third GOP objective—less noted nationally but no less important—is massive 1986 gains in state legislative strength and governors' seats. At present, Democrats control two-thirds of the state legislatures and occupy the state house in 34 states to the GOP's 16.

Laxalt puts the case for GOP confidence succinctly: "We've got Ronald Reagan and the economy, plus a solid Sun Belt base, while the traditional coalitions in the northeast are crumbling." The case is hardly ironclad. A couple of missteps, and Reagan's popularity could take a quick nosedive; the economy rests on a foundation of egg-shells; Sun Belt support could melt with economic problems, as it did in 1982; older Democratic coalitions could well whip back into shape in face of the GOP threat.

GOP Chairman Frank Fahrenkopf shares Laxalt's optimism, saying: "The prospects and outlook are perhaps the best we've had in 50 years."

(If you check old newspaper clippings, they'll show that Republicans spoke in terms almost as rosy when Dwight Eisenhower's personal popularity was at its peak in the mid-50s and again when many commentators saw the Democrats buried for generations under Richard Nixon's 1972 landslide, only to watch them clamber out through the big hole left by Watergate.)

If there is a political equivalent to what is called "the pit" in professional football—that small piece of turf where 280-pound giants of two opposing lines smash one another around and barely get noticed by the fans, whose eyes are fixed on flashy runners and rifle-armed passers—it's in the fight for state legislative and gubernatorial dominance.

This is where Fahrenkopf, an excellent and imaginative technician, sees opportunities to build the GOP as a majority party

He knows if the local roots are weak, the national plant can't prosper. To strengthen them, he looks well beyond 1986 alone. While he and other GOP leaders would dearly love huge state legislative and gubernatorial gains next year, Fahrenkopf sees it more as a root nourishment process which might lead to true blossoming in the early 1990s.

His program anticipates modest GOP state legislative and gubernatorial gains (like those in 1984—see chart) in 1986-88-90, cumulatively adding up to a large pick-up. With more—far more, they hope—legislatures under GOP control, it will then be Republicans instead of Democrats redrawing congressional district and state legislative lines and gerrymandering them after the 1990 Census.

As a consequence of this from-the-roots-up approach, true party "realignment"—already claimed by many in the GOP—will actually show up in the 1992 House and Senate contests and, presumably, the presidential election of that year. At least, that's the Republican scenario.

Going for the GOP are a lot of impressive weapons: A use and understanding of available technology far more sophisticated and effective than any party has had before; oodles of money and a willingness to spend it; ever more committed activists attracted by the rightward turn of the party in recent years and by its successes.

It also has a national organization of rightist incumbent state legislators whose members keep a sharp eye out for districts in which pro-people Democratic incumbents are vulnerable, so that extra resources can be thrown in.

Of course, all of this about the GOP has a downside, too:

- The nature of parties and politics is chaotic, and the best anyone—even the GOP—can hope to introduce is a little sanity, order and direction.
- The best laid plans of mice and men go oft astray. (Not an original line.) And if anybody should know this, it's the Republicans. Recessions, Watergates, overconfidence, internal divisions—all at one time or another have blown their plans out of the water.
- History is not encouraging. In previous periods of high expectation, the GOP has started out from a higher base. It had 20 governorships after Eisenhower's second-term victory and 19 after Nixon's. It now has 16. It controlled both legislative houses in 17 states under Eisenhower, 16 under Nixon, but now only 11.

In each case, two years after setting out to make huge headway in the states, the GOP got bushwhacked—at a cost of five governorships and 650 state legislative seats in 1958 under Eisenhower and six governorships and 674 legislative seats in 1974 under Nixon.

- Finally, the GOP doesn't operate in a vacuum. There are Democrats out there, too, with tools, ambitions and programs. If their new national chair, Paul Kirk, can get disputatious elements to agree to mutual arms reductions, a little internal peace could lead to big external progress.

The Democrats—most, anyway—intend to be competitive. They're smart enough to see that right now the GOP works, and they're not too proud to borrow the techniques that help it work.

### Cushion

*Candidates elected to the U.S. House last November raised 17 percent more money than they spent. The surplus cash totals $38.5 million.*

*Louisiana's Rep. Henson Moore (R) finished his campaign with $722,000 left over. Forty-eight of the winners have a cushion of more than $200,000 each.*

*Members who were in Congress as of 1980, when the law was changed, can hang on to the surplus when they retire. As one observer commented, some members are not only financing their campaigns, they seem to be financing their futures.*

## State Legislatures—What the Numbers Are

| STATE | UPPER HOUSE JANUARY 1985 | | GAINED IN 1984 VOTING | LOWER HOUSE JANUARY 1985 | | GAINED IN 1984 VOTING |
|---|---|---|---|---|---|---|
| Alabama | 28 D | 4 R | No Change | 88 D | 12 R | No Change |
| Alaska | 9 D | 11 R | No Change | 21 D | 18 R | Undecided |
| Arizona | 12 D | 18 R | No Change | 22 D | 38 R | Undecided |
| Arkansas | 31 D | 4 R | + 1 R | 90 D | 10 R | + 3 R |
| California | 25 D | 15 R | + 1 R | 47 D | 33 R | + 1 R |
| Colorado | 11 D | 24 R | + 3 R | 18 D | 47 R | + 7 R |
| Connecticut | 12 D | 24 R | + 11 R | 64 D | 87 R | + 24 R |
| Delaware | 13 D | 8 R | No Change | 19 D | 22 R | + 6 R |
| Florida | 32 D | 8 R | No Change | 78 D | 42 R | + 6 R |
| Georgia | 47 D | 9 R | + 2 R | 154 D | 26 R | + 2 R |
| Hawaii | 21 D | 4 R | + 1 D | 40 D | 11 R | + 3 R |
| Idaho | 14 D | 28 R | + 7 R | 17 D | 67 R | + 16 R |
| Illinois | 31 D | 28 R | + 2 R | 67 D | 51 R | + 3 R |
| Indiana | 20 D | 30 R | + 2 D | 39 D | 61 R | + 4 R |
| Iowa | 29 D | 21 R | + 1 D | 60 D | 40 R | No Change |
| Kansas | 16 D | 24 R | No Change | 49 D | 76 R | + 4 R |
| Kentucky | 28 D | 10 R | No Change | 74 D | 26 R | + 3 R |
| Louisiana | 38 D | 1 R | No Change | 89 D | 16 R | + 2 R |
| Maine | 24 D | 11 R | + 1 R | 85 D | 66 R | + 8 R |
| Maryland | 41 D | 6 R | No Change | 124 D | 17 R | No Change |
| Mass. | 32 D | 8 R | + 1 R | 126 D | 34 R | + 5 R |
| Michigan | 18 D | 20 R | No Change | 57 D | 53 R | + 6 R |
| Minnesota | 42 D | 25 R | No Change | 65 D | 69 R | + 12 R |
| Mississippi | 49 D | 3 R | No Change | 116 D | 6 R | + 1 D |
| Missouri | 22 D | 12 R | + 1 R | 108 D | 55 R | + 2 R |
| Montana | 28 D | 22 R | + 4 D | 50 D | 50 R | + 5 R |
| Nebraska | 49-Seat Non-Partisan One-House Legislature | | | | | |
| Nevada | 13 D | 8 R | + 4 R | 17 D | 25 R | + 6 R |
| N. Hampshire | 6 D | 18 R | + 3 R | 102 D | 298 R | + 64 R |
| New Jersey | 23 D | 17 R | No Change | 44 D | 36 R | No Change |
| New Mexico | 21 D | 21 R | + 2 R | 43 D | 27 R | + 2 R |
| New York | 26 D | 35 R | No Change | 94 D | 56 R | + 4 R |
| N. Carolina | 38 D | 12 R | + 6 R | 83 D | 37 R | + 19 R |
| North Dakota | 24 D | 29 R | + 3 D | 41 D | 65 R | + 14 R |
| Ohio | 15 D | 18 R | + 2 R | 59 D | 40 R | + 3 R |
| Oklahoma | 34 D | 14 R | No Change | 69 D | 32 R | + 7 R |
| Oregon | 18 D | 12 R | + 3 R | 34 D | 26 R | + 2 R |
| Penna. | 23 D | 27 R | No Change | 103 D | 100 R | + 1 R |
| Rhode Island | 39 D | 11 R | + 10 D | 78 D | 22 R | + 7 R |
| S. Carolina | 37 D | 9 R | + 3 R | 97 D | 27 R | + 7 R |
| South Dakota | 10 D | 25 R | + 1 D | 13 D | 57 R | + 3 R |
| Tennessee | 23 D | 10 R | + 1 D | 62 D | 37 R | + 2 D |
| Texas | 25 D | 6 R | + 1 R | 97 D | 53 R | + 16 R |
| Utah | 6 D | 23 R | + 1 D | 16 D | 59 R | + 1 R |
| Vermont | 18 D | 12 R | + 5 D | 72 D | 78 R | + 7 D |
| Virginia | 32 D | 8 R | No Change | 65 D | 34 R | No Change |
| Washington | 27 D | 22 R | + 1 D | 53 D | 47 R | No Change |
| West. Va. | 29 D | 5 R | + 2 R | 76 D | 24 R | + 12 R |
| Wisconsin | 19 D | 14 R | + 1 D | 52 D | 47 R | + 7 R |
| Wyoming | 11 D | 19 R | No Change | 18 D | 46 R | + 8 R |

### Ooops!

**A court victory by Indiana Democrats inadvertently could wind up helping Republicans pick up a mess of state legislative and congressional seats one of these days.**

**A three judge federal court ruled recently that districts used in 1982 Indiana state legislative elections had been drawn unconstitutionally because they failed to reflect the political makeup of the state as a whole.**

**While it will await action by the Supreme Court, the federal panel ruling suggests there ought to be closer correlation between the number of votes a party's candidates receive and the number of seats won. It noted that Indiana Democratic candidates for the state legislature got 49 percent of the total vote in 1982 but won only 43 percent of the seats.**

**In effect, it censured the practice of gerrymander where the controlling party arranges district lines to help it remain the controlling party.**

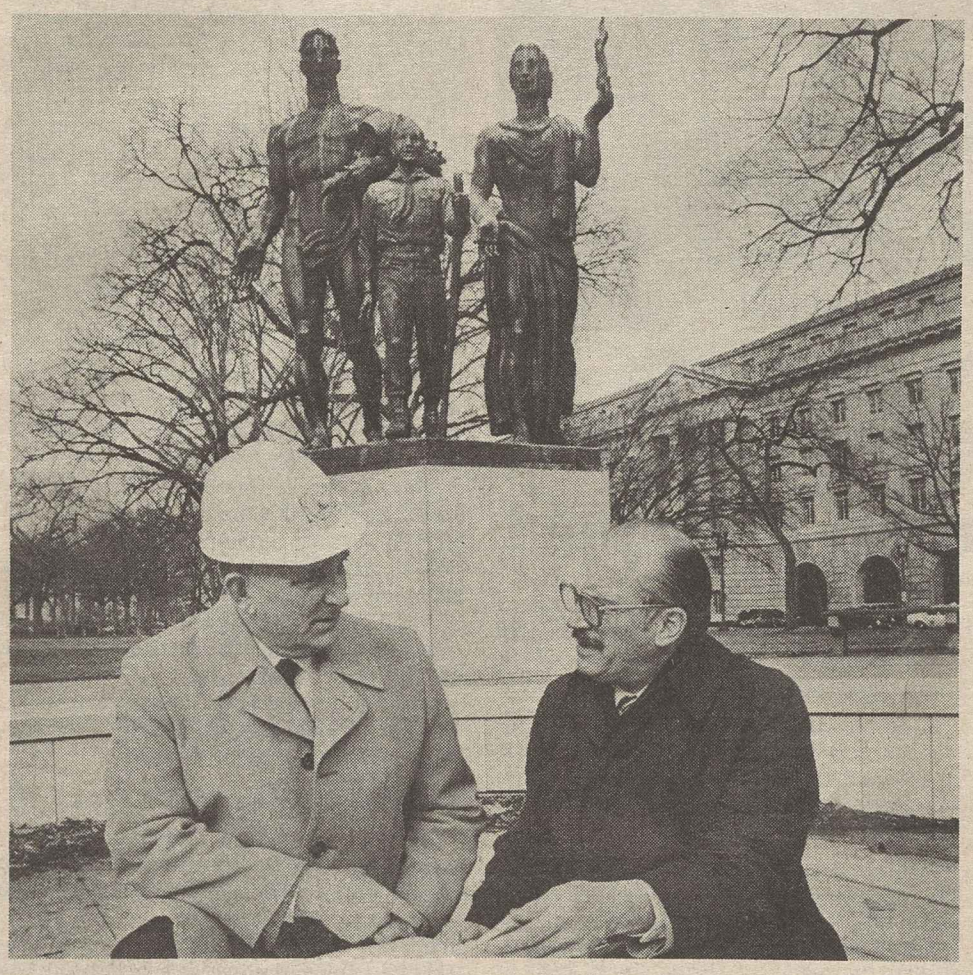
**The ruling, in a case brought by Democrats, ironically gives support to present GOP complaints that while its candidates got 49 percent of the U.S. House vote last year, the party wound up with only 42 percent of the seats in Congress.**

AFL-CIO news

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FEBRUARY 16, 1985

**LEGISLATIVE ALERT!**

PAGE 12



## Turning a good deed

Details for the refurbishing of the National Boy Scout Memorial by union volunteers are worked out by Hubert E. Stockhausen, business representative of Stone & Marble Masons Local 2, and Ted Reed, research director of the Operating Engineers. The restoration effort is a project of the BSA National Labor Advisory Committee marking scouting's 75th anniversary. (Story, Page 4)

# Federal unions call Hatch Act charges intimidation tactic

**By David L. Perlman**

Postal and federal union leaders don't intend to allow Hatch Act charges brought by a government agency to silence their voices on political issues affecting the workers they represent.

That was the response of Presidents Kenneth T. Blaylock of the Government Employees, Vincent R. Sombrotto of the Letter Carriers and Moe Biller of the Postal Workers to what they see as a politically motivated harassment.

Their unions, the largest in the federal sector, represent some 1.3 million workers.

The offense charged, in the words of the official letter sent to each of the union presidents, is that they had "engaged in campaign activity in support of the presidential candidacy of Democrat Walter Mondale and against the re-election of Republican Ronald Reagan."

That crime, they were told, violates the Hatch Act, the 1939 law that was enacted to protect government workers from being pressured by the party in power for political contributions or campaign work.

None of the three is drawing any pay from a government job. Each had years ago received an unpaid leave of absence to enter full-time service with his union and has continued on an unpaid leave status.

Hatch Act penalties range from a minimum of 30 days suspension without pay—a difficult penalty, clearly, to enforce against a person not drawing a federal paycheck—to outright dismissal. The latter penalty, rarely imposed, could reduce the eventual retirement pension, which is based in part on duration of government service.

### Another first

So far as can be determined, this is the first time that Hatch Act violations are being charged to anyone not on active government service. The Reagan-appointed special counsel of the Merit Systems Protection Board, K. William O'Connor, told the union presidents that they would not be prosecuted if they resigned or retired from government employment by Feb. 26.

Sombrotto said he is prepared to fight a court battle as high as necessary to defend his constitutional right "to speak to my membership on political candidates and issues that affect their families and their futures."

Biller termed the prosecutions "part of a continuing anti-labor attack" by the Administration. During the election campaign, the Postal Workers won a court battle upholding their right to conduct a nonpartisan voter registration program among postal service employees during off-duty hours or on lunch breaks.

Blaylock called the Hatch Act attack "politically motivated" and said the law was never intended to cover persons on a leave-without-pay status.

Rep. Patricia Schroeder (D-Colo.), who heads a House Civil Service subcommittee, termed invocation of the Hatch Act "a punishment tactic," and indicative of a double-standard the Administration applies to its political supporters and political opponents.

A labor-supported bill to revise the Hatch Act so that it would continue to protect federal workers against political pressures from their superiors while freeing them to participate in the nation's political life passed Congress in 1976 but was vetoed by then-President Gerald Ford.

# Battle over Conrail sale switched to Capitol Hill

The battle over the sale of the government-controlled Conrail freight line shifted to Capitol Hill, where stiff opposition is expected to the Reagan Administration's hand-picked prospective buyer—the Norfolk Southern Corp.

The selection of Norfolk Southern as Transportation Sec. Elizabeth Dole's choice among three final bidders on the 15,000-mile freight carrier was announced after railway unions gave their support to the Alleghany Corp.

Now Congress, which must make the final decision on the transaction, will look at the offers of the two corporations as well as a similar bid by a group headed by hotel magnate J. Willard Marriott, Jr., and a public offering proposal by Conrail management.

Norfolk Southern, a holding company that owns the Norfolk & Western and the Southern railroads, offered to pay at least $1.2 billion in cash for the government's 85-percent ownership of Conrail. Employees own the other 15 percent.

The company also agreed to either sell some of its rail lines or negotiate trackage rights agreements with smaller lines in the region to solve what the Justice Dept. views as potential anti-competitive problems.

Norfolk Southern officials said the di-

**Continued on Page 10**

# Bipartisan group in Senate spurs rights bill drive

Ten Republican senators have joined 36 Democrats in sponsoring a labor-supported civil rights bill, despite opposition from the Reagan Administration.

The legislation, needed to close loopholes in civil rights enforcement opened by a Supreme Court decision last year, now has close to a majority of the 100-member Senate as sponsors.

Only 13 senators, all Republicans, joined Majority Leader Bob Dole in sponsoring a narrower version backed by the Administration.

Both bills deal with the aftermath of the Supreme Court's decision in the Grove City College case, which involved federal enforcement of the ban on sex discrimination in education.

The Administration's position is that Congress should merely clarify its nondiscrimination intent in the program di-

**Continued on Page 3**

**The American Federationist**

PAGE 5

# *States slow to update jobless aid*

State unemployment insurance programs still haven't recovered from the financial battering of the recession years and continued high joblessness is delaying overdue improvements.

Over the past year, about half the states raised maximum benefits—in most cases under existing laws that adjust benefit ceilings automatically each year at a specified percentage of the state's average weekly wage.

The improvements were modest, however, for several reasons:

- Some states suspended automatic adjustments or withheld scheduled increases because their unemployment insurance reserves were depleted by the years of high joblessness and are in debt to the federal government.
- The average wage in many states rose so little that automatic wage adjustments were minimal.
- With the drain on unemployment insurance reserves, few states even considered labor-sought legislation to make benefits more adequate as a replacement for lost wages.

### Trend reversed

Many of the states with automatic adjustments still set maximum benefits at 50 or 60 percent of the average wage. Before the Reagan Administration brought in double-digit unemployment that battered state resources, the trend was clearly toward a national standard that set benefit ceilings at no less than two-thirds of average state wages.

While state programs are generally geared to pay 50 percent of lost wages up to the ceiling set by state law, and some add on additional payments as a dependents' allowance, most workers end up getting a lower wage replacement. A survey by the AFL-CIO Dept. of Occupational Safety, Health & Social Security found that the average weekly benefit in the 1984 fiscal year came to only 34 percent of the average weekly wage.

A review of state legislative actions during 1984, carried in the January issue of the Monthly Labor Review published by the Bureau of Labor Statistics, shows that most changes made were designed to replenish the unemployment funds. A number of states raised the payroll tax rate or taxable wage base for this purpose.

These are some of the state legislative

**Continued on Page 10**

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# Steelworkers to challenge vote results

The Steelworkers will challenge the results of decertificaion elections at four Phelps Dodge Co. copper mines and smelters in Arizona where only strikebreakers were allowed to cast votes, USWA Sec. Edgar Ball declared.

After the National Labor Relations Board released results of the elections that went 1,908 to 87 against continued union representation, Ball said the USWA was "not the least bit surprised by the ballot count." He stressed that the unions involved in the bitter 18-month strike "are no less determined to carry out our mission of seeking economic justice from Phelps Dodge for destroying the copper workers' right to a union and devastating the lives of our strikers and their families."

The USWA represents the largest number of some 1,400 members of 13 unions that struck four Phelps Dodge facilities in Arizona and one in El Paso, Tex., in 1983. The company had refused to go along with an industry pattern settlement despite wage and benefit concessions in the package aimed at shoring up the ailing industry. Phelps Dodge demanded deeper cuts.

And even though it attempted to keep the Arizona works going with strikebreakers, it was forced to shut down its largest operations in Morenci and Ajo in December.

### To file action

Ball, who is chairman of USWA's National Nonferrous Coordinated Bargaining Committee, said at a news conference that the union will file objections to the election with the NLRB, a move that will block decertification while the issue is resolved. Picket lines at the facilities in Arizona will stay up, the USWA said.

Ball charged that the labor board's ruling that strikers could not participate in the elections and the votes themselves "unjustly" denied the workers their right to continue a legal strike.

"There should never have been an election aimed at destroying the unions in the first place," he asserted.

He said the USWA will continue to provide financial aid to the copper strikers, and he pledged that the unions have made a "full commitment for a stepped-up corporate campaign against Phelps Dodge."

### Lawsuits to continue

USWA District 39 Director Robert Guadiana told reporters that the USWA plans to continue its lawsuits against Phelps Dodge and the state of Arizona over the "massive violations committed against our members regarding civil rights, environmental laws and threats of evictions from company housing." The strike had been marred by the use of police and state National Guard troops to escort scabs into the struck facilities.

Ball, who is also chairing the multi-union corporate campaign, said it will escalate a program of informing other unions, major banks, creditors, investment institutions and stockholders about Phelps Dodge's "financial mismanagement" and continuing operating losses.

"The copper strikers are not going to be forced from their homes and communities by bulldozer tactics," Ball said, "because they have the greater strength of their support for each other, the moral imperative of their cause and solidarity of the labor movement behind them."

## California Fed editor Doug Barrett dies

San Mateo, Calif.—Doug Barrett, editor of the California AFL-CIO News, died Jan. 25 of a massive heart attack. He was 64.

Barrett, named editor of the state federation's paper in May 1984, started his newspaper career at the Sierra Sun paper in 1936 as a writer and co-publisher. He joined the staff of the California AFL-CIO in 1968, and served as administrative assistant to Executive Sec.-Treas. John F. Henning.



Seafarers Richard Daschbach and Robert Vahey at ILO meeting.

# ILO committee drafts goals for waterway, road transport

Geneva—The International Labor Organization's Inland Transport Committee drafted a list of priorities to improve working conditions of inland waterway crews and truck drivers at its 10-day session.

Although employer representatives resisted many of the proposals, the thrust of the worker delegates' agenda was adopted, Robert B. Vahey of the Seafarers reported. The committee's report was approved unanimously.

"We have put together a very good program whose ultimate impact now rests with governments," he noted.

Vahey and Richard J. Daschbach, who are assistants to Seafarers President Frank Drozak, represented American workers at the session of 240 trade union, employer and government delegates from 29 ILO member states.

Daschbach said that among the committee's key actions was a call for the ILO to enlist the cooperation of the World Health Organization in studies to determine the stress and fatigue imposed on truck drivers by such factors as the hours of work, vibration and cab design.

Drivers should have a say in the design of new trucks, particularly in the layout of the cabin, the committee said. "The safety and health of the driver is paramount," it declared.

Daschbach welcomed the committee's call for international standards on accident data so a more accurate assessment of safety practices for the road transport industry can be drawn.

He also welcomed the committee's call for proper packaging and loading of cargo containers for the protection of the health and safety of drivers.

The committee said there should be the "greatest possible similarity" in the working conditions for the inland water transportation industry, regardless of the employer.

These working conditions, the committee continued, "should not be less favorable than those in other comparable industries."

### Waterway compliance

The worker delegates hailed the committee action insisting that governments establish "efficient inspection systems" insuring that the entire inland water transport industry complies with the labor laws.

The workers overcame strong employer opposition to obtain the recommendation that the ability of crew members be recognized by "certificates of competency" backed by training and examinations.

Such a certificate serves as an industry "passport" that relieves a job-hunting crew member from depending on the reference from a former employer, Vahey said.

The committee also called on the ILO to "defend and promote freedom of association in inland transport." Studies should be undertaken to determine whether the industry's workers "enjoy the rights and guarantees which are essential for the normal exercise of freedom of association," it said.

# Fund cutback targets HRDI job projects

Funding cutbacks sought by the Reagan Administration threaten to curtail drastically trade union involvement in programs to put jobless Americans back to work.

The Administration wants Congress to cancel, through a rescission resolution, funds already appropriated that enable the AFL-CIO Human Resources Development Institute and other national organizations to help make the Job Training & Partnership Act (JTPA) more effective.

HRDI has been providing technical assistance and encouraging union involvement in training and employment programs at the state and local level. These include projects to help workers stranded by plant closings or large-scale layoffs.

Despite the continued need, the Labor Dept. has asked Congress to rescind $16 million of a $21 million appropriation that was to have been available for designated national activities for the program year starting July 1. The drastic cut would also affect programs of the National Alliance of Business, which works with employer groups, and projects of several other organizations which, as with HRDI, were funded at the insistence of Congress.

### Up to Congress

To take effect, the rescission of funds would have to be approved by both the House and the Senate by Mar. 31. The Administration request will be one of the items on the agenda of a Senate Appropriations subcommittee at hearings starting Feb. 26.

Funding for national activities would be eliminated entirely the following year, under Reagan's budget. However, when the Administration last tried to eliminate most of HRDI's government funding, strong bipartisan support resulted in a congressional directive that the programs be funded. The Labor Dept. complied with the wishes of Congress, although contending at the time that it was not legally obligated to do so.

HRDI has worked closely with state and local central bodies and with unions whose members have been hard hit by layoffs to develop training programs and conduct workshops for dislocated workers. A recent HRDI survey showed some 93 labor-involved programs supported by JTPA funds operating in 40 states.

The Labor Dept. is also seeking rescission of $119.5 million in separate JTPA funding for dislocated worker assistance, by states.

# *Federal right-to-know laws sought*

The AFL-CIO welcomed the introduction of a "right-to-know" legislative package in Congress that includes a measure to block federal pre-emption of stronger state and local laws governing disclosure of data on toxic substances used in the workplace. The proposed laws would also insure a community's right to information on the hazardous substances being made or used within its borders.

"A national minimum standard is needed to assure that all members of the public have access to information on toxic chemicals in their communities," said Margaret Seminario, associate director of the AFL-CIO Dept. of Occupational Safety, Health & Social Security. "We particularly support the bill dealing with pre-emption."

The legislation was introduced by Rep. James J. Florio (D-N.J.). He stressed that it is designed to help prevent chemical accidents "and to redress the injuries caused when such tragedies unavoidably occur."

At a press conference, Florio noted that in the past 11 weeks there have been 13 separate spill and emission incidents at Linden, N.J., chemical plants that "sent hundreds of New Jersey and New York residents to the hospital and kept thousands of others shut in their homes." At the same time, he noted, the Environmental Protection Agency announced that the accident that killed thousands of persons in India "could have happened in West Virginia." Union Carbide's plant at Institute, W.Va., produces methyl isocyanate, the same chemical that was released in India.

Florio cited a double impetus for his legislation: the incident in Bhopal and the pre-emption of New Jersey's strong right-to-know law by the weaker federal hazard communication rule. A federal district judge recently ruled that manufacturing concerns in New Jersey covered by the federal rule are exempt from all provisions of the New Jersey law.

### National attention

Seminario said the introduction of the federal legislation indicates that the right-to-know issue "has finally reached the level of national attention. All this activity now is an attempt to set minimum standards on a community's right to know that do not pre-empt any state or local laws."

She noted that some 20 states are examining some form of right-to-know legislation, and 19 states already have such laws, along with a growing number of communities.

AFL-CIO President Lane Kirkland congratulated state AFL-CIO officers in early 1985 on enactment of those state laws. He said proof of the effectiveness of the laws was evident in attempts by the Chemical Manufacturers Association to preempt them through Reagan Administration action on a watered-down federal version.

Florio's legislative package has six basic components:

- A national community right-to-know law that includes requirements both to inform communities about potential chemical hazards and to develop emergency response and evacuation plans.
- A federal right to sue for victims of chemical disasters, with strong provisions on liability and revised procedural rules.
- Regional training for police and firefighters, under the Dept. of Transportation, on dealing with truck and train accidents and fires involving hazardous chemicals.
- A provision blocking federal preemption of any state right-to-know laws that are more protective of worker health and safety than the current OSHA standard.
- Consideration by EPA of 36 substances for possible listing as hazardous air pollutants under the Clean Air Act and the issuance of emission standards for all listed hazardous air pollutants.
- EPA review of potential health and environment damage from accidents in the manufacture of pesticides and improved regulations on underground chemical storage tanks.

## 'Cynical tactic'

# OSHA hit for stalling on formaldehyde rule

By Arlee C. Green

Organized labor told the Occupational Safety & Health Administration to stop stalling and produce a standard to protect workers from exposure to formaldehyde, calling its latest information-gathering meeting a contrived, delaying tactic that is politically motivated.

The Auto Workers and the Carpenters testified at an OSHA hearing and blasted the agency for its inaction. The AFL-CIO and several other unions will submit written testimony by the Mar. 1 deadline.

Franklin E. Mirer, director of the UAW Health & Safety Dept., said that although the union values any opportunity to present its views, "we have protested against OSHA's action of calling this meeting. The UAW believes it is a charade, a cynical tactic devised by OSHA, perhaps in concert with the chemical industry, to delay much needed government action to protect public health."

Joseph L. Durst, Jr., director of the Carpenters' Occupational Safety & Health Dept., cited the agency's "supposed controversy" over quantitative risk assessment, adding, "All of these controversies are truly a disguise for political decisions not to regulate. Formaldehyde has been studied intensively and we believe there is sufficient evidence to regulate it."

Mirer scored OSHA Administrator Robert A. Rowland's denial last Jan. 7 of the UAW's petition for an emergency standard on formaldehyde.

### Rowland decision

It was Rowland's decision then to continue with the "public information-gathering process" to receive comments on risk assessments that try to affix a probable number of excess deaths due to exposure to a hazardous substance.

Mirer questioned whether Rowland was trying to invent a "Catch-22" situation by insisting that a risk analysis is a prerequisite for a health standard, but since there is no consensus on the best method, the agency cannot take action because risk assessments are unreliable.

"There is no new data on the horizon which will contradict the evidence of risk already at hand," Mirer said, calling the areas of disagreement "purely a matter of policy."

He stressed that the real issue raised by Rowland's action is "whether OSHA will set a standard to protect the public health if there is any uncertainty among scientists about the magnitude of human risk."

Dr. Michael Silverstein, an occupational health physician with the UAW, testified also about the "dubious value" of the meeting, and reviewed the legacy of delays that have prevented the formulation of a standard since studies in 1980 linked the chemical to cancer in test animals.

### Significant risk

Silverstein noted the petitions by the UAW and 14 other unions that were denied in 1982 and 1985, the various risk assessments produced for the agency and the analyses that were rejected. In November 1984, OSHA's Office of Risk Assessment concluded that formaldehyde is a potential human carcinogen producing 8.3 cases of malignant tumors per 1,000 exposed workers and 104.7 cases of benign tumors per 1,000. "These are both clearly grave and significant" risks, Silverstein said.

In calling for review and comments, OSHA declined to send that risk assessment to any of the unions that had petitioned for an emergency standard, but it did seek the comments of the formaldehyde manufacturers.

Durst's testimony stressed that the hearing "will probably add another six months to the process while the transcript is analyzed to death." Meanwhile, "OSHA is sanctioning the continued exposure to excessive levels of formaldehyde knowing full well its toxic and carcinogenic properties," he said.

OSHA is under court order to review the need for a formaldehyde standard. The UAW sued the agency over its failure to act and the federal district court judge, calling OSHA's explanation for denying an emergency standard "inadequate," gave OSHA until next Apr. 15 to decide whether to proceed with rulemaking efforts.



## Paycheck raid opposed

Proposals to tax workers on employer-paid benefits such as health and life insurance jeopardize collective bargaining, President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. charged at a news conference. Representatives of consumer, employer and insurance groups joined in opposition to hitting workers with a new tax the Reagan Administration is seeking.

# Unions approve Frontier Airlines stock buyout plan

Denver—All five unions representing some 4,100 Frontier Airlines workers overwhelmingly approved a package of $45 million in wage and productivity concessions in exchange for an employee stock ownership plan (ESOP) in an effort to keep the financially troubled carrier alive.

Members of the Air Line Pilots, Flight Attendants, Machinists, Transport Workers and Air Line Employees agreed to wage and benefit reductions ranging from 10.7 to 13 percent, paving the way for the plan to purchase 45 percent of the company.

The five-union coalition presented its preliminary plans for an employee buyout to Frontier's directors Feb. 4. Company officials were "favorably impressed" by the coalition's efforts and agreed to give the unions time to consolidate their plan and gain financial backing. Frontier's president, M. C. Lund, expressed confidence the coalition would be able to buy the stock.

### Strong support

More than 98 percent of the Pilots supported the employee stock ownership plan, as did 95 percent of the Flight Attendants and 90 percent of the Machinists. In addition to the wage cuts, union members agreed to reduced pension contributions and work rule changes.

Despite the problems posed by the employee stock ownership plan, workers at the ratification meeting expressed their commitment to make Frontier competitive and profitable again.

The workers' concessions, plus the coalition's offer of $222 million for Frontier stock, averted a potential shutdown. After receiving the unions' offer, Frontier officials said the airline would operate as usual during negotiations with employee representatives, and that the board would meet again when the unions are ready to present their buy-out proposal.

# *Oscar Mayer workers win wage restoration, back pay*

Chicago—The 7th Circuit U.S. Court of Appeals upheld a lower court ruling that restores the wages of some 600 union workers at the Oscar Mayer meatpacking plant here and awards backpay of about $5,000 each.

The three-judge panel backed the lower court finding that Arbitrator Arthur Malinowski had not exceeded his authority in determining that the company could not unilaterally cut its workers wages.

Last Apr. 23, the firm cut the pay of members of Beef Boners & Sausage Makers Local 100 of the Food & Commercial Workers from $10.69 an hour to $8.25. Oscar Mayer cited a clause in the contract permitting management to reduce wages if "as a result of a pattern established through bargaining by the UFCW," wages were cut in other Midwest packinghouses.

### Key addition

But in an addendum extending the 1980-83 contract to June 1, 1986, Local 100 members agreed to give up their 1982 cost-of-living pay increases provided that "these rates shall continue for the time of this agreement without changes" unless mutually agreed to by the parties.

In ruling on the impact of the two clauses, the arbitrator upheld the union's position that "any wage changes after the 1982 agreement would be made only through collective bargaining and not through unilateral action by Oscar Mayer."

Both the district and appellate courts rejected the company's contention that Malinowski's decision was "arbitrary and capricious" and beyond his authority.

The appeals court noted that it had previously warned against using the " 'authority' argument as a ruse to induce the reviewing court to 'redetermine the facts—even just a tiny bit—or reach a legal conclusion on them as found or hoped for which differs from that of the arbitrator.' "

Local 100 Sec.-Treas. Walter F. Piotrowski said the back pay will total around $5,000 per person, including interest specified by the district court to be compounded at 10.33 percent a year on the sum.

The local's attorney, Edwin Benn, had presented the court with affidavits showing that members were facing the threat of utility cutoffs and mortgage foreclosures.

The arbitrator's decision locked in the contract extension through June 1, 1986, with the pay reinstated through that time. This will mean an additional $7 million in wages for the workers.

The company said it will not appeal the ruling, and the workers will get checks for back pay by Mar. 1. The old pay scale of $10.67 and hour was reinstated Feb. 11.

# Bipartisan group in Senate spurs rights bill drive

Continued from Page 1

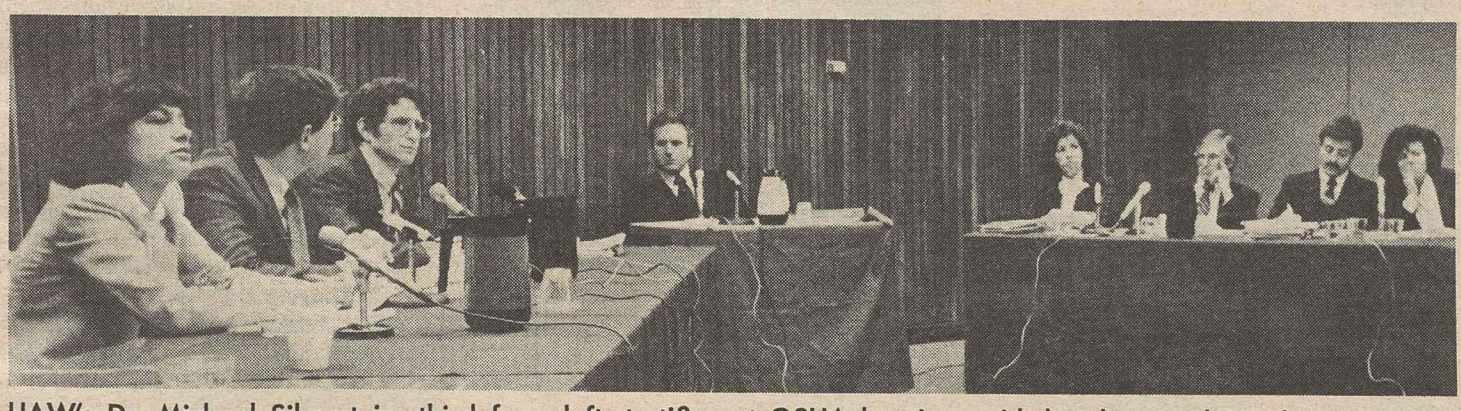
rectly affected by the Supreme Court ruling. But the civil rights coalition sees the Supreme Court decision as seriously weakening enforcement of a range of comparable civil rights laws.

The broader Senate bill, whose principal sponsors are Democrat Edward M. Kennedy (Mass.) and Republican Lowell P. Weicker (Conn.), would amend the Civil Rights Act, the Rehabilitation Act involving rights of handicapped, and the Age Discrimination Act—as well as the education law.

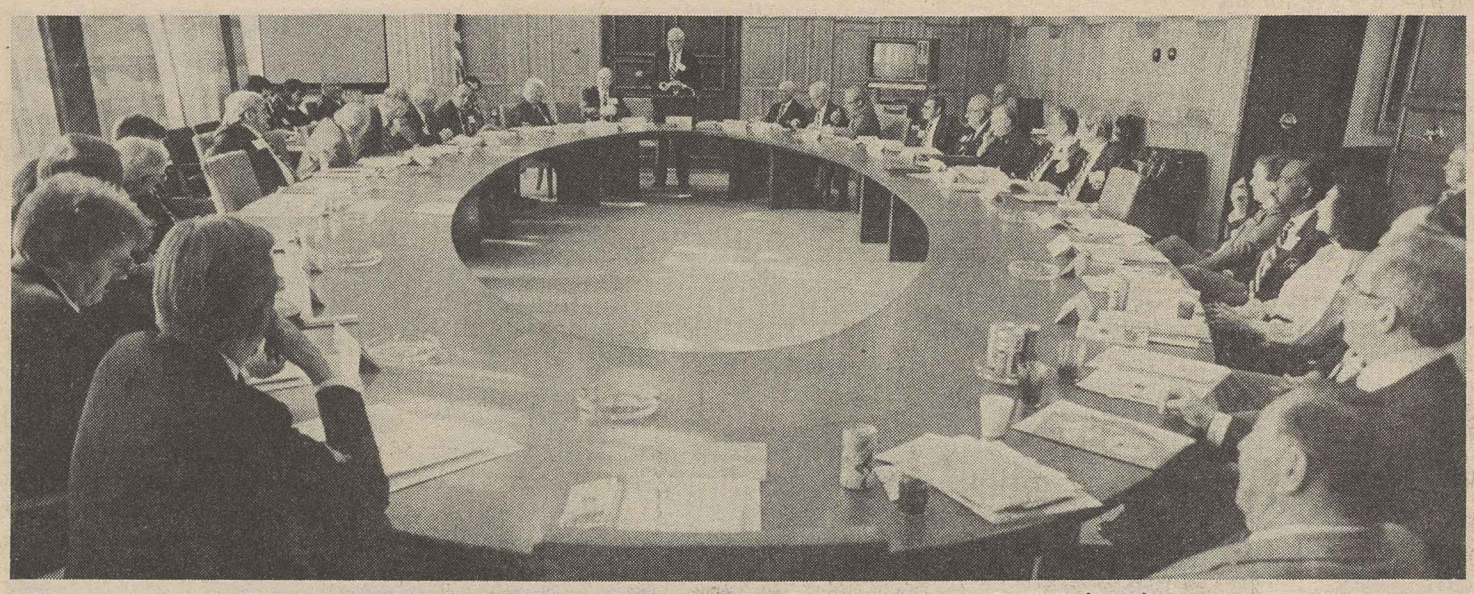
It is identical to a House bill whose key sponsors include Democrat Augustus F. Hawkins and Don Edwards, both from California, and Republican James M. Jeffords (Vt.).

Congress is in recess and will not get back to substantive business until the last week in February. Then budget-related matters will dominate the agenda in both houses. But the Senate will also be taking up the controversial nomination of Reagan intimate Edwin Meese III to be attorney general. His confirmation was recommended by a 12-6 vote of the Senate Judiciary Committee.

Three other Reagan Cabinet nominees have already been confirmed—John S. Herrington as Secretary of Energy, Donald P. Hodel as Secretary of the Interior, and William J. Bennett as Secretary of Education. The Senate also confirmed Lee M. Thomas to the non-Cabinet post of administrator of the Environmental Protection Agency.



UAW's Dr. Michael Silverstein, third from left, testifies at OSHA hearings with legal counsel Randy Rabinowitz and Safety Director Frank Mirer. The Carpenters also presented testimony on formaldehyde hazards.



Chairman Marshall M. Sloan addresses BSA Relationships Committee at AFL-CIO headquarters.

# *Graphic union board sets vote on merger with ITU*

Annapolis, Md.—The Graphic Communications Union, proceeding toward merger with the Typographical Union, will hold a membership referendum on the merger plan in April, shortly after the ITU membership votes on Mar. 27.

The resolution adopted by the 42-member board reaffirms the GCIU's desire for one union in the graphic communications industry.

The GCIU itself is the product of three previous mergers—the lithographers with the photoengravers, then with the bookbinders and most recently with the pressmen, stereotypers and electrotypers.

At a meeting here, GCIU board members approved the referendum resolution, 24-16. Financial-Recording Sec. James J. Norton stressed that the "mood of the board was in favor of a merger" and the vote reflected the need for clarifying information on the merger proposal.

"The purpose of the action of the general board was to let the referendum go forward and in the interim, get more information which has been difficult to obtain due to the time restrictions placed on the union," Norton said. "The information is continuing to be sought and as received, will be channeled back to the general board members."

Norton explained that the board members "are used to having mergers done with plenty of time for examination of the documents. Under the existing circumstances, we haven't had that luxury. The board wants to be sure of a physical and responsible merger."

Just prior to the meeting, a small pro-Teamster faction within the ITU sent each GCIU board member a copy of a letter written by ITU Sec.-Treas. Thomas Kopeck that was critical of the merger proposal and questioned its viability. Kopeck is a strong proponent of merger with the Teamsters.

The Kopeck letter misled some labor reporters on the status of the merger but Norton said, "the GCIU general board has its own sources of information. I don't know that we treated that packet of information as anything more than a piece of propaganda."

At the board meeting, AFL-CIO Sec.-Treas. Thomas R. Donahue expressed his optimism that the proposed merger would "survive the long haul" and would benefit both unions. ITU President Robert S. McMichen also spoke to the board, expressing his hopes for merger.

### Long-sought goal

The ITU has been seeking a merger partner for a number of years under directive of its convention delegates, including extensive talks with the Newspaper Guild. Subsequently, Teamsters President Jackie Presser proposed to 1983 convention delegates that the ITU be absorbed as a division of the truckers' union.

Former ITU officers negotiated a merger document with the IBT. But a federal judge blocked a referendum on that merger proposal until a Dept. of Labor-supervised election of officers was held. McMichen and two other officers who oppose merger with the Teamsters were elected in mid-1984.

At the ITU convention last September, delegates established a mechanism for reaching a suitable merger with an AFL-CIO affiliated union, after which a referendum on the IBT proposal could occur. The new ITU officers reached agreement with the GCIU within the designated period and recommended approval by the ITU members.

# 11 states report unemployment up over year ago

Eleven states posted increases in their unemployment rates over the year ended last December and five states still had double-digit rates, the Bureau of Labor Statistics reported.

The higher rates, which reflected the sluggish pace of economic growth in the fourth quarter of 1984, were registered in Alabama, Colorado, Iowa, Kansas, Louisiana, Mississippi, Nevada, New Hampshire, North Carolina, North Dakota and West Virginia.

All of the increases were by less than 1 percentage point. In three states—Arkansas, Kentucky, and Oklahoma—jobless rates were unchanged over the year.

West Virginia once again had the highest unemployment rate, 15.6 percent in December, compared with 15.1 percent a year earlier. Other states with double-digit levels were Alabama, 11.7 percent; Louisiana, 10.4 percent; Michigan, 10.6 percent, and Mississippi, 11 percent. Puerto Rico had a rate of 19.4 percent.

Before seasonal adjustment, the national civilian unemployment rate last December was 7 percent, down from 8 percent in December 1983.

BLS said 35 states, plus the District of Columbia, showed some decline in their jobless rates over the year ended last December. Employment grew in all but three states.

# Labor-sponsored Scouting projects mark anniversary

February marks the 75th anniversary of the Boys Scouts of America and the labor movement is playing a full part in the celebration.

The National Labor Advisory Committee to the BSA has produced a 10-minute videotape, "Scouting and Labor: Join the Alliance," to promote labor sponsorship of Scout units and activities.

Robert Harbrant, president of the AFL-CIO Food & Allied Service Trades Dept. and a member of the BSA national executive board, says he hopes labor's efforts will increase understanding of union involvement in community affairs.

American labor also is the subject of a new Scout merit badge resulting from two years of hard work by committee members. The badge will give scouts the opportunity to study the history of organized labor and how labor functions in a free society.

To earn the new merit badge, scouts will need to demonstrate their understanding of American labor and compare it with labor federations in other countries. Scouts will be encouraged to attend a local union meeting and participate in some labor-sponsored activities such as food banks. The new badge and requirements will be available in 1986.

As an anniversary present, the Labor Advisory Committee also is overseeing the restoration of the Boy Scout National Memorial in Washington. Members of the Plumbers & Pipefitters, Carpenters, Painters and other crafts have volunteered their labor, and apprentice stone masons will repair the stonework. The 15-foot bronze statue was erected in 1960 for the Scouts' golden anniversary, and the clean-up work will be finished by mid-1985.

In another anniversary year project, building trades unions in San Mateo county, Calif., are donating time and skills to the BSA barrier-free program. Union members there are remodeling a Boy Scout camp to make it accessible to handicapped children. The San Mateo site is the pilot for a national camp remodeling program.

# 3 unions get new contracts at Eastern Air

Miami—Three AFL-CIO unions reached agreements with Eastern Airlines softening earlier concessions to help the carrier avoid bankruptcy.

The tentative contracts with the Machinists, Air Line Pilots and Transport Workers are subject to membership ratification. Complete details are not available pending members' vote. The three unions represent 22,500 Eastern employees.

The Pilots, who were the first to agree with the financially troubled airline, will accept a reduction of 13 percent from 1983 pay levels rather than the 20 percent cut in force last year. Negotiations to extend the cuts into 1986 will take place this spring, when bargaining for a new contract ordinarily would have begun.

The IAM and TWU agreements also call for lowering the reduction in pay to 13 percent in the first year. In addition, they provide a 5-percent pay increase retroactive to Feb. 1, followed by a 6-percent hike in February 1986.

Under the agreement, IAM members in the highest wage bracket, whose full contract rate is $17.40 an hour, would earn about $15.14 an hour this year.

### Productivity clauses

All three unions also agreed to certain productivity improvements. The ALPA agreement, for example, would increase pilots' total flying hours from 80 to 84 per month and provide for a "voluntary deferral" of vacation to future years.

The Machinists represents the largest number of Eastern employees, about 12,000 mechanics, flight dispatchers, and other ground crews. TWU represents some 6,500 flight attendants, while ALPA bargains for 4,000 pilots.

Complete details are still being worked out. IAM ratification is expected to be completed within 10 days after final negotiations. TWU will conduct a mail ballot referendum, and ALPA announced its ratification procedure could take up to 45 days.

The agreements, ending weeks of difficult negotiations, are expected to save Eastern about $250 million this year. Eastern has not reported an annual profit since 1979. With the contracts, the airline predicted it would turn a profit in 1985.

### Tradeoffs

Last year, in a landmark $380-million cost-cutting and power-sharing arrangement, workers represented by the three unions accepted 18-to-20-percent pay cuts in return for 25 percent of the company's stock, representation on Eastern's board of directors, and other tradeoffs.

After Eastern's management unilaterally extended the 1984 pay cuts beyond Jan. 1, the three unions sued to have the wage cuts rescinded.

In return for the wage cuts, workers will received a profit-sharing plan that will go into effect when profits exceed $90 million a year.

# *Strong auto import curbs pressed*

A panel of union representatives cautioned the Administration that a huge loss of U.S. jobs would result if restraints on Japanese auto imports are removed this spring.

"American jobs are on the line, and the Reagan Administration has the power to help protect or sacrifice the livelihoods of 140,000 workers," unions representing more than a million workers in the auto component industry declared.

The warning came in a meeting between Commerce Sec. Malcolm Baldrige and Steelworkers President Lynn Williams, Electronics Workers President William Bywater, Rubber Workers President Milan Stone and President Howard Samuel of the AFL-CIO Industrial Union Dept.

The unions called on Baldrige to recommend retention of the restraints, citing forecasts which show a loss of 140,000 production jobs if Japanese auto imports are permitted to climb to a predicted 2.5-million units.

A four-year Voluntary Restraint Agreement limiting Japanese auto imports into the United States is due to expire on Mar. 31. The labor delegation urged Baldrige to take "prompt and favorable action" to insure continuation of the VRA on a multi-year basis.

### Percentage of market

They recommended a switch from absolute numbers to a market share concept, which would hold Japanese auto imports to 17 percent of the U.S. auto market. The Japanese share is now 21 percent; only two years ago, it was as high as 23 percent.

In calling for renewal of restraints, the labor group added their support to similar requests by the Auto Workers and AFL-CIO President Lane Kirkland.

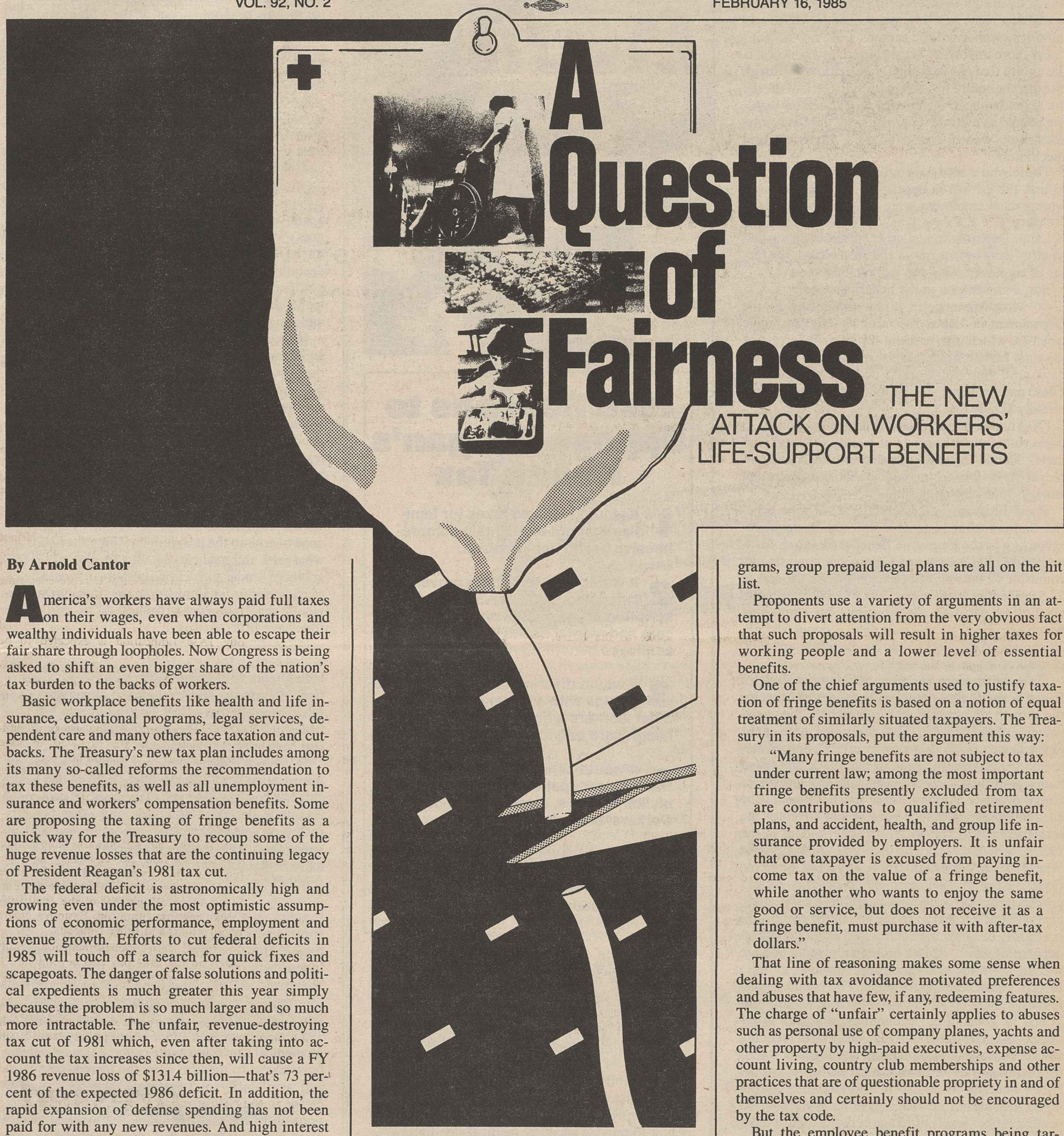
Kirkland made known his views in a personal meeting last month in Tokyo with Japanese Prime Minister Yasuhiro Nakasone and in a letter to Sec. of State George P. Shultz.

Kirkland told Shultz that Japan's market share would soon rise to 40 percent or more with severe repercussions to workers in the U.S. auto and related industries if the curbs were dropped.

"The United States is already the most open market in the world for Japanese cars," the union officials told Baldrige. Meanwhile, they pointed out, Japanese markets are closed to virtually every sort of American-made goods.

Of the 140,000 threatened production jobs, they told Baldrige, about 25,000 would be in the steel industry, already hard hit by international competition, with the rest in electrical equipment, tires and other auto component industries.

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# A Question of Fairness

## THE NEW ATTACK ON WORKERS' LIFE-SUPPORT BENEFITS

**By Arnold Cantor**

America's workers have always paid full taxes on their wages, even when corporations and wealthy individuals have been able to escape their fair share through loopholes. Now Congress is being asked to shift an even bigger share of the nation's tax burden to the backs of workers.

Basic workplace benefits like health and life insurance, educational programs, legal services, dependent care and many others face taxation and cutbacks. The Treasury's new tax plan includes among its many so-called reforms the recommendation to tax these benefits, as well as all unemployment insurance and workers' compensation benefits. Some are proposing the taxing of fringe benefits as a quick way for the Treasury to recoup some of the huge revenue losses that are the continuing legacy of President Reagan's 1981 tax cut.

The federal deficit is astronomically high and growing even under the most optimistic assumptions of economic performance, employment and revenue growth. Efforts to cut federal deficits in 1985 will touch off a search for quick fixes and scapegoats. The danger of false solutions and political expedients is much greater this year simply because the problem is so much larger and so much more intractable. The unfair, revenue-destroying tax cut of 1981 which, even after taking into account the tax increases since then, will cause a FY 1986 revenue loss of $131.4 billion—that's 73 percent of the expected 1986 deficit. In addition, the rapid expansion of defense spending has not been paid for with any new revenues. And high interest rates have aggravated the debt burden.

Despite widespread and nonpartisan agreement that deficits of this size and duration court disaster, the options are few and far between. Federally financed programs essential to the nation's health, welfare and public sector capital needs have already been savaged. Regardless of where the defense budget debate ultimately winds up, spending still will increase. And neither the Congress nor the Administration seems interested in fair and sensible tax reforms that can enhance equity and at the same time increase federal revenue.

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Against this backdrop, attempts to shift more of the nation's tax burden onto workers will continue, and the many proposals to tax employee benefits could prove irresistible in the last-minute scramble to adopt a federal budget.

The threat is very real. Many such trial balloons have been floated. Taxing workers's health benefits has been a part of this Administration's agenda since its earliest days, and many of the popularly talked about rate-flattening, base-broadening reform proposals, including the Treasury's package and the Bradley-Gephardt "fair" tax plan, would tax employee benefits.

In jeopardy are widely used programs that affect the great majority of working Americans and fulfill major, demonstrable needs and social purposes.

Health insurance, accident and life insurance, workers' compensation, day care, education programs, group prepaid legal plans are all on the hit list.

Proponents use a variety of arguments in an attempt to divert attention from the very obvious fact that such proposals will result in higher taxes for working people and a lower level of essential benefits.

One of the chief arguments used to justify taxation of fringe benefits is based on a notion of equal treatment of similarly situated taxpayers. The Treasury in its proposals, put the argument this way:

> "Many fringe benefits are not subject to tax under current law; among the most important fringe benefits presently excluded from tax are contributions to qualified retirement plans, and accident, health, and group life insurance provided by employers. It is unfair that one taxpayer is excused from paying income tax on the value of a fringe benefit, while another who wants to enjoy the same good or service, but does not receive it as a fringe benefit, must purchase it with after-tax dollars."

That line of reasoning makes some sense when dealing with tax avoidance motivated preferences and abuses that have few, if any, redeeming features. The charge of "unfair" certainly applies to abuses such as personal use of company planes, yachts and other property by high-paid executives, expense account living, country club memberships and other practices that are of questionable propriety in and of themselves and certainly should not be encouraged by the tax code.

But the employee benefit programs being targeted are not frivolous "perks" or gimmicks to shelter income, generate phony losses or otherwise reduce the taxes of the already privileged. These measures are for the most part long-standing economic buttresses of the tax code, providing benefits and protections that are widely distributed and clearly in the national interest.

It *is* unfair that not all workers are accorded the benefits of an adequate medical program, pension protection, life insurance and other benefits. But such inequities should be resolved through public and private policies that encourage a leveling-up of benefits, not by policies that seek to reduce everyone to the lowest common denominator.

Such a narrow view of equity ignores the far greater inequity that would result from a lowering of benefits and fewer participants. That viewpoint also implies that tax justice means merely rearranging the tax burdens of working people.

To qualify for tax exclusion now, the benefit plans must comply with stringent rules that prohibit discrimination in favor of owners, officers, shareholders and highly compensated employees and generally contain limitations and constraints to assure that the intended beneficiaries and purposes are served. That test clearly distinguishes these provisions from so many other so-called tax preferences which by design or effect primarily benefit a privileged few and provide no assurance that any national purpose will be served.

Far more important, if tax fairness is a concern, is the equity that can and should be achieved through closing the many loopholes and distortions in the tax code that heap the burden of taxation on working people as a group and tread only lightly on corporations, wealthy stockholders, investors and speculators.

Those who would tax employee benefits also like to link the growth in benefits to the tax code as if workers and employers were conspiring to raid the Treasury.

Labor Department and other studies indicate that benefits have in fact grown and are a substantial factor in employer costs and workers incomes.

But, a closer look at the benefits reveals:

(1) Most are already taxed. According to the Department of Labor, the most widespread fringe benefits, which also account for over 40 percent of the total benefit costs, are vacations with pay, holidays and time not worked because of sickness. These payments are similar to wages and are appropriately taxed.

(2) Another large group of benefits included in these calculations consists of legally required payments such as the employer share of FICA and employer payments to unemployment insurance and workers' compensation funds.

These programs are essentially a tax. The benefits that are already taxable and legally required, according to the Employee Benefits Research Institute and U.S. Chamber of Commerce analysis, account for 72 percent of employer payments, and to 23.5 percent of total wages. Tax "favored" benefits (including pension contributions by employers which are taxed, but at a later date) account for only 28 percent of the total employer payments and nine percent of wages and salaries.

(3) A just-released Library of Congress study of fringe benefits also points up the many reasons for the growth of benefits and underscores the social purpose of the benefits. That study took note of the Great Depression's "disastrous effect" on private-sector fringe benefit plans in the 1930s and listed many historical factors leading to the growth of fringe benefits. Among these, specifically, are the need to complement such government efforts as the establishment of the social security system in the 1930s, War Labor board decisions during World War II to help prevent inflation, and a U.S. Supreme Court ruling in 1949 that fringe benefits were a proper issue for collective bargaining. The study also pointed out that as living standards rise, workers rightly become more concerned about the consequences of death, illness or unemployment and are willing to "trade off" other improvements in order to gain protection against them. The congressional research study noted the role of fringe benefit programs in generating "economies in scale" at reduced cost. The effect of fringe benefits in reducing worker turnover and promoting employment stability as well as the role of unions in raising the level of fringe benefits were also highlighted. The author noted that unionized firms have an average of 30 percent higher levels of fringe benefits than comparable nonunion firms.

Interestingly enough, the analysis also pointed out that even with the dramatic increases of U.S. fringe benefits in the post-World War II era ". . . the relative level of U.S. fringe benefits still remains a smaller part of total compensation than it is in most other industrialized nations."

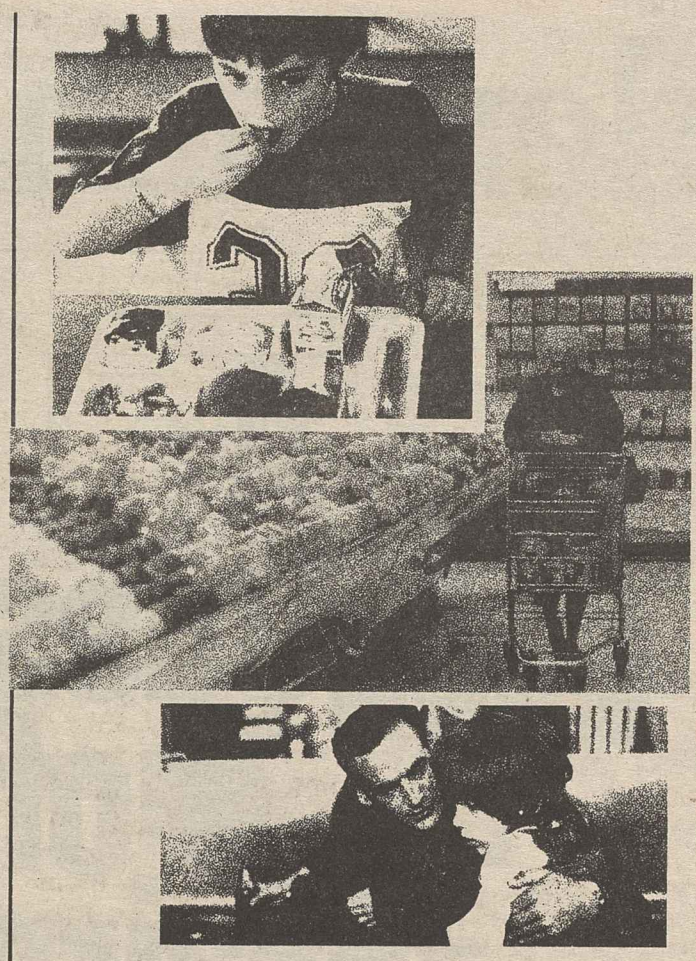
The evolution of fringe benefits as part of employee compensation is tied to the history of the labor movement itself. The International Brotherhood of Electrical Workers established a life insurance program in 1892. Because of the perceived hazardous nature of their work, life insurance was not otherwise available. The garment industry fought for insurance and pensions at the start of this century.

The 1940s saw the first successes for union-negotiated insurance and pensions. The first industry-wide retirement fund was won by the New York Cloak Makers in 1943. The first negotiated health plan was bargained for in the dress industry in 1944. The motivation and social necessity was summarized by ILGWU Vice President Charles Zimmerman at the union's 25th convention in 1944:

> "Firmly rooted in our tradition as an organization is the belief in the principle that the welfare of the worker is the concern and responsibility of the employer, who profits immediately, and of the society which benefits ultimately from his labor. . . . The problem of how to provide adequate medical care for low-income groups has for decades attracted the serious attention of all responsible citizens. The members of our union should be proud that our International has been among the first organizations to take practical steps toward its solution. The establishment of the principle of employer responsibility for the worker's health . . . will be of inestimable value in promoting . . . a nationwide program of medical security."

At the 11th Constitutional Convention of the CIO (1949) Resolution No. 9 put it this way:

> "Because government social security programs fail to meet standards of adequacy and are now completely lacking in benefits and services for health and disability, it should be a continuing necessity for unions to bargain collectively to supplement these government security programs."



## Five Reasons to Oppose Reagan's Health Tax

**1** **It would increase taxes for families that opt to maintain comprehensive health benefit plans.**

**2** **It would lead to cutting preventive care, diagnostic services, prescription drugs, dental care, vision care and mental health coverage from employee benefit plans.**

**3** **It would discriminate against groups with a larger portion of older workers who may need more health care services.**

**4** **It would penalize workers in high-risk occupations, such as assembly-line workers, steel and foundry workers, and mine workers.**

**5** **It would disproportionately affect certain urban areas and geographic regions where medical care costs are especially high.**

## Employee Health Tax

The Administration's proposal to place a monthly limit of $175 per family and $70 per individual on the amount of tax-free contributions that employers make to worker health insurance plans would dismantle the safety net of negotiated group health insurance. These policies cover union members and non-union workers without regard to sex, health status or type of employment. If the Administration's proposal passed, millions of families would be forced out of economic necessity to avoid paying higher taxes by giving up their protection against the high cost of getting sick.

In addition to the disastrous effect such a plan would have on negotiated health benefits, the Administration grossly overstates the potential for such proposals to reduce health care inflation. The underlying premise of the Reagan argument is that the passage of an employee health tax would give consumers strong economic incentives to reduce health care coverage. This in turn (so the theory goes) would force patients to reduce their demand for health care services and force providers to reduce the price they charge for those services.

This rationale, based on laws of supply and demand, is the so-called "market solution" to the nation's health care crisis.

Health care is not like other economic sectors, and the principles of supply and demand are not adequate policy determinants in health care. For example, a recent article in the *Journal of Human Resources* used data from the Dept. of Health & Human Services to conclude that health care expenditures which were initiated by physicians represented 89 percent of total health care expenditures. In other words, unlike other sectors of our economy where consumers make their own decisions, in health care doctors are the purchasing agents for patients. Physicians decide when patients need to go into the hospital, how long they stay, and what tests and medications they receive while they are there. Under such circumstances, it would be extremely unfair for Congress to pass a health tax that would penalize patients for situations over which they have little control.

If tax benefits for health care contributions are scaled back, what's most likely to be dropped from a benefit plan is coverage for preventive care, outpatient diagnostic services, dental, eyeglasses and other benefits that affect premium costs but have little to do with the health cost inflation problems that have plagued the nation.

In advocating the employee health tax, the Administration would have citizens believe that health care is a costless "fringe" to workers. In fact, tough economic decisions are made and other benefits, including wages, are sacrificed to preserve and enhance the health care benefit package. All of us are extremely sensitive to the rising costs of health care services and, in collective bargaining, increasingly have had to make difficult decisions as a result of Congress's inability to pass a comprehensive cost-containment program to reduce the rate of growth in total health care costs. This has obviously resulted in a growth in health insurance benefits relative to wages and salaries. This is an increase that reflects the trend of rising expenditures on medical care which has increased from 3.2 percent of GNP in 1953 to 7.2 percent in 1983. The rise in expenditures on medical care reflects the concern that all citizens have access to medical care, the increasing quality and availability of treatments, and the rapid increase in the cost of medical care. It has little relationship to the fact that employee medical benefit plans are not taxed. In fact, there has been a rise in number of plans that require the employees to pay a portion of the health insurance costs—an occurrence in direct conflict with the notion that the exemption has caused the increased use.

The Administration also has claimed that health insurance benefits are unnecessary subsidies for higher wage workers. The AFL-CIO strongly rejects this position and has attempted to bring to the attention of Congress the effect that the health tax would have on middle- and low-income families, older workers and those with chronic conditions.

Employers contribute the same amount for health coverage per employee, regardless of income. As a result, health benefits as a percent of income are more valuable to families at lower wage levels. Limiting tax free contributions would, therefore, place a disproportionate burden on middle- and lower-income workers who would find it much more difficult to maintain their level of benefits.

Individuals with higher incomes would probably purchase supplemental health insurance policies to assure that their present coverage is not interrupted. In other words, there is persuasive evidence which suggests that the health tax would turn back decades of progress we have made in insuring workers against the high cost of getting sick.

The President of the Health Insurance Association of America summed it up this way: "Consider what this means for health insurance protection. Those left in the plans will be those who can afford the higher costs and those who are older and more in need of frequent health care services. This will in turn cause the premiums of the plan to go up, and more and more people will be forced out. Or, at best, receive less protection as employers cut back coverages."

Other nations have basic coverage as a national right and a public-government cost. In the United States an implied decision was made to extend government into the health care process by declaring that if the program is fair and equitable it is in the national interest to encourge it and not treat it as a tax dodge.

Another erroneous assumption the Administration has made about the employee health tax is that workers in very few industries actually would be affected by the proposed implementation of the Reagan plan. An informal AFL-CIO survey of a number of international unions completely refutes this position. According to the Machinists, a majority of the union's members would be forced to pay taxes on their health benefits. The "vast majority" of Auto Workers, Steelworkers and members of the Electrical Workers as well as the Electronics Workers also would be affected. The Service Employees claims that about half of all SEIU members would be hurt. It is estimated that 60 percent of the membership of the State, County & Municipal Employees would fall above the cap. For the United Food & Commercial Workers, the average contribution to health benefits in the union's largest agreement amounts to $250 per family, $75 per month above the proposed limit. It is clear that a broad range of AFL-CIO members would be penalized by the Reagan plan.

Another issue with respect to the Administration's proposed health tax that cannot be ignored is the wide fluctuation of health care costs among geographic areas. For example, health benefit contributions for members of the Electrical Workers range from an average of $1 per hour in Oklahoma and Texas to as high as $2.40 per hour in California and approximately $1.75 per hour in New Jersey. Obviously, the Reagan proposal would disproportionately penalize workers in the highest cost areas.

In many ways the employee health tax is a straw man for those who have a fundamental aversion to the idea of the federal government regulating what are now staggering rates of payment for hospital and physicians' services. However, these same individuals are willing to impose a limit on employer-funded health insurance benefits because they believe that somehow forcing employees to pay taxes on benefits would dampen health care inflation. Any version of the employee tax proposal would significantly erode the progress workers have made in collective bargaining. The Administration must ask itself whether health care is the right place to look for ways to reduce deficits. It must not confuse cost-containment with revenue-raising.

## Unemployment Assistance and Workers' Compensation

Without question, the most mean-spirited aspect of the Administration's proposals to tax life support benefits involves the heaping of further burdens on those suffering the loss of employment and the pain of work-related injury, disease and even death. Taxing the meager benefits provided under unemployment insurance to workers' compensation adds to the injustice for those workers who have experienced the indignity of job loss or the tragedy of injury or disability stemming from the workplace.

Unemployment insurance benefits, which average only $119 per week across the nation, are already subject to taxation if income exceeds $18,000 for married taxpayers and $12,000 for singles. The Treasury proposal would tax all UI benefits. In 1980, the National Commission on Unemployment Compensation, comprising of representatives of employers, workers and the public, recommended the "repeal of current provisions under which a portion of UI income is taxed." In its report to the President and the Congress, the commission said, "UI is the first line of defense against extreme hardship caused by unemployment. When a person is unemployed, the family's income stream is already reduced even if UI is being received. To subject this family's reduced income stream to income taxation adds to the unemployed person's sense of injury already caused by the loss of a job."

As devastating, if not more so, is the suggestion by the Administration to tax all workers' compensation benefits. The 1972 National Commission on Workmen's Compensation Laws concluded that, in general, inadequate benefit levels and inequitable treatment existed in all states. The 1979 report of the Interdepartmental Workers' Compensation Task Force found that by the most conservative standards, workers' compensation cash benefits to impaired workers were seriously inadequate. In the face of these authoritative studies, the Treasury Dept. now wants to make a bad situation immeasurably worse by taxing these benefits and further widening the gap between net income levels and what is necessary to maintain decent living standards.

## Pensions

Attempts to tax employees on the deferred income value of employer contributions to qualified pension plans raises a huge array of issues. First, of course, is the fact that pension income *is* taxed when received by the employees and their beneficiaries. And to qualify, plans must comply with elaborate minimum participation standards and other rules that forbid contributions or benefits discriminating in favor of the employer's officers, shareholders, and other highly compensated employees. Moreover, the entire legislative history in the area of qualified pension plans has been one of concern with the level and security of employee benefits. On this point the Ways & Means House Committee in 1974 stated (H. Rep. #93-779)

> ". . . clearly the greatest single protection for rank and file employees during this time has been the Internal Revenue Service's administration of the provisions denying any special tax treatment in favor of employees who are officers, shareholders, supervisors, or highly compensated employees. The thrust of this provision is to require broader substantial participation in the plans than would be provided but for the Service's administration of the statute."

Other concerns arise from the fact that since workers do not have control over the use of pension contributions, it's hard to envision a fair method of considering the contributions as taxable income. For example:

- Many workers never get vested rights to the money that is placed in the pension fund in their name. Thus, people would be taxed on money they will never see.
- Although about 50 percent of all private-sector pension funds are for union workers, no union fully controls a fund and only 10-15 percent jointly control their funds. Thus, both union and nonunion workers in the public and private sector would be taxed for pension contributions as if they were receiving benefits equivalent to paychecks. They would pay taxes on money over which they have almost no influence
- Many pension funds are not fully funded. Would workers be taxed on the benefits they've accrued or on the amount which the employer has actually contributed?
- Frequently there are larger year-to-year fluctuations in employer contributions based on changing actuarial assumptions. How would this affect the taxes of individual workers?
- Recent hearings before the Labor Subcommittee of the Senate Labor & Human Resources Committee has shed light on the problem of corporations terminating healthy pensions to "recapture excess assets." Would workers be given tax credits when this happened?

The interest in taxing employer contributions to workers' pension plans is particularly difficult to understand in the light of the many recent attempts and actions to widen the exclusions for Individual Retirement Accounts and to expand plans for the self-employed. These measures contain few of the constraints and assurances against abuse that apply to qualified employee plans and have a proven track record of reducing the tax burdens of wealthier individuals while doing little or nothing to add to the nation's "savings" rate.

**AFL-CIO President Lane Kirkland sent the following letter to members of the House and Senate:**

Forty years ago, America's workers had no life-support benefit program to protect them and their families. Today more than 90 percent of full-time workers—union and non-union—are covered by an employer health plan. Millions of Americans have life insurance programs, dental, child care and pre-paid legal service plans. This economic and social life-support system has become a fixture in American life with the support of Congress.

This system is now seriously threatened by legislation which would tax employee benefits, thus nullifying a longstanding congressional commitment to encourage these programs. This concept is being forwarded as a separate item as part of the Treasury's tax plan and is also incorporated in various flat or modified flat tax bills.

Under these proposals, almost all major employee benefit programs would be taxed. These include health and life insurance, dental coverage, child care, educational assistance, worker compensation, death benefits, pre-paid legal plans and many more. According to U.S. Treasury estimates, American workers would pay an additional $24 billion in higher yearly taxes by 1990 if this proposal is accepted by Congress. Since 75 percent of workers covered by health and life insurance plans earn less than $25,000, this benefits' tax would hurt those working people who could least afford it.

Finally, this new tax would build pressure on union and non-union employers to freeze or reduce employee benefits because of the tax consequence of this proposal. Young and single workers would be pitted against older workers and those with families.

This issue is of the greatest concern to America's working men and women and their unions. I strongly urge that you oppose any legislative effort to implement this tax scheme which so unfairly penalizes workers and prevents the continued development of privately financed programs of social and economic benefits.

## Other Programs of Concern to Workers

The first $50,000 of employer-provided group term life insurance is also excluded from tax under present law and would be taxed by the Treasury and other proposals.

Again, the limitation in current law prevents discrimination and abuse; those who do receive relatively high benefits are already taxed as a result of the $50,000 maximum and to the extent that the legislation has resulted in a cost to the Treasury, the protection afforded those who need it the most is certainly in the national interest.

Group *legal services plans* would no longer be tax exempt under the Treasury proposals. The current tax treatment of qualified group legal service plans has helped in making such services available at minimal cost to many who would otherwise be denied such protection. There is no evidence that such plans have been abused or exploited as tax shelters or have led to inequities or discriminatory practices.

Stringent limits also preclude abuse in *dependent care* services, another benefit plan in jeopardy. Any revenue gain would be minimal and it is clearly in the national interest to encourage the growth and development of such programs.

Also, Congress was wrong last year in allowing the expiration of the statutory exclusion from income of benefits provided employees and laid-off workers under an *educational assistance* program. Fortunately the program was re-enacted for one more year. Again, there is no evidence of abuse and the limitations and conditions needed to qualify assure against unintended benefits or actions contrary to congressional intent. And programs under these plans have helped employees and laid-off workers receive essential training.

The deficit problem is real and Congress can ill afford to overlook any opportunity to make the tax structure fairer and better equipped to meet the nation's needs.

Nevertheless, the fact that the root cause of the problem is the 1981 tax cut cannot be put aside. That act decimated the Treasury and shifted much of the remaining burden onto the backs of working Americans.

The 1982 and 1984 tax measures raised some revenue through curbing abuses and trimming some loopholes. However, substantial reliance was on excise taxes, taxing employee benefits and other measures that hurt working people. At the same time, measures such as the withholding of taxes on interest, dividends, and foreign-portfolio income were defeated, corporations were given a $12 billion windfall by the forgiveness of taxes "deferred" under the Domestic International Sales Corp. program, and the capital gains holding period was cut in half, widening the loopholes responsible for most of the inequities in the individual income tax.

This pattern of heaping more and more of the tax burden on working people must be reversed. And it must be recognized that any revenue to be gained through taxing workers on their fringe benefits—particularly those in the areas of health, education, pensions and similar social needs—would result in more injustice, not less.

## Full-time Employees by Participation[1] in Employee Benefit Programs

### Medium and Large Firms, 1983

| Employee benefit program | All employees | Professional and administrative | Technical and clerical employees | Production employees |
|---|---|---|---|---|
| Sickness and accident insurance | 49% | 29% | 34% | 67% |
| Long-term disability insurance | 45 | 66 | 58 | 28 |
| Health insurance for employee | 96 | 98 | 95 | 96 |
| Health insurance for dependents | 93 | 95 | 91 | 92 |
| Life insurance | 96 | 97 | 95 | 95 |
| Retirement pension | 82 | 86 | 84 | 79 |

[1]Participation is defined as coverage by a time off, insurance, or pension plan. Employees subject to a minimum service requirement before they are eligible for a benefit are counted as participants even if they have not met the requirement at the time of survey. If employees are required to pay part of the cost of a benefit, only those who elect the coverage and pay their share are counted as participants. Benefits for which the employee must pay the full premium are outside the scope of the survey. Only current employees are counted as participants; retirees are excluded even if participating in a benefit program.

Note: This survey covers medium and large private-sector nonagricultural establishments in the United States, excluding Alaska and Hawaii. Minimum firm size ranges from 50 to 250 employees depending on the industry covered. The number of employees included in this survey is about 55.6 million which is 54 percent of all employed, 81 percent of full-time employees, and 73 percent of private sector nonagricultural employees.

Source: *Employee Benefits in Medium and Large Firms, 1983.* U.S. Department of Labor Bureau of Labor Statistics, August 1984.

## New Books

### Don't Let Your Job Kill You

*By Franklin Wallick, Progressive Press, Washington, D.C. 20012. 228 pages, $5.*

This new book includes a full reprint of the 1972 edition of Wallick's "The American Worker: An Endangered Species," plus a new section on worker success stories and worker tactics.

The forward by Dr. Eula Bingham, former director of the Occupational Safety & Health Administration, notes that although the references in the main text are more than 15 years old, the main thrust of the book remains pertinent today.

Wallick's thesis is that informed and alert workers can transform the workplace into something that is healthful and safe, noted Bingham.

Wallick, editor of the Auto Workers' UAW Washington Report for more than two decades, improved on his original work by adding a 50-page section that provides a number of success stories from the workplace and describes tactics that have proved effective.

Also included are listings of state and local centers for occupational safety and health, the locations of worker health clinics, and a bibliography of books and films dealing with occupational safety and health issues.

### Work & Health

*By Phillip L. Polakoff, M.D., M.P.H. Press Associates, Inc., 806-15th St., N.W., Suite 632, Washington, D.C. 20005. 231 pages, $7.95.*

Work & Health is easy, straightforward reading that provides vital information for workers, shop stewards and union leaders.

Dr. Polakoff's book is divided into seven main sections: occupational stress, workplace chemicals, job safety and health issues, enhancing worker health, controlling job hazards, body systems and physical agents, such as noise, heat, light, radiations, etc.

A special resource section advises where to go for help or additional information. Also included is a list of scientific terms and symbols and a glossary.

The everyday struggle to avoid accidents and diseases in the workplace is being lost by the workers. Occupational diseases kill twice as many people each year as auto accidents, yet most diseases and many accidents are preventable.

Dr. Polakoff details those hazards, citing the scientific data available and explaining in layman's terms what it means and why it's important.

The section on occupational stress is the plus for this book, as it provides excellent information on a subject that is an invisible ingredient for many job descriptions. The everyday results of too much stress on the job are covered here—alcoholism, drug abuse, high blood pressure, mental illness, stroke, heart attack and compulsive gambling.

Workers have a right to know about the hazards of the workplace and reading Work & Health is a large first step workers can take toward gaining that knowledge. The author writes a regular column on health matters for Press Associates, Inc., the labor press news service.

### Ethical Guidelines for a Religious Institution Confronted by a Union

*By Ed Marciniak. National Center for the Laity, 14 E. Chestnut St., Chicago, Ill. 60611. $1.50 first copy; 50¢ each additional copy.*

In a brief paper, Ed Marciniak, president of the Institute of Urban Life, Loyola University, Chicago, gives administrators of Catholic institutions eight simple guides for the process of moving from shock and disbelief when employees of the institution decide they want to engage in collective bargaining to recognition that a union can be a resource.

Marciniak patiently reminds administrators that Catholic social doctrines apply to Catholic institutions as employers as well as to other employers. He draws upon papal documents, bishops' statements, and the published commentaries of many church leaders, both clerical and lay, to suggest that labor-management relations should be characterized by mutual respect rather than paternalism.

Putting to rout the notion that Church teaching regarding the rights of workers to seek collective bargaining gives unfavorable advantage to unions, the author goes on to inform administrators that the desire of employees of religious institutions for collective bargaining will grow, not diminish in the coming years. In closing, he recommends that institutional executives consider labor-management relations without personal agitation.

This seasoned and objective presentation could be recommended for its bibliography alone, even if its message were not so clear and persuasive.

**—Alan Kistler**

### Everybody's Money Consumer Directory

*Published by Credit Union National Association, Inc., Madison, Wis. 53701, 96 pp. $2.50, paper.*

Credit Union National Association, the trade association serving credit unions, has put together this handy manual on how to get effective action on your consumer complaint.

The 1985 edition gives tips on how to write a complaint letter and suggests procedures to follow to get the action your complaint deserves.

What's really valuable about the manual is its listing by name of top executives of companies that make consumer products or provide consumer services. It also lists state government offices established for consumer protection as well as state and local consumer organizations that may be able to help.

"This directory tells you how, when, and to whom you should complain," says Eleanor Anderson, editor of Everybody's Magazine which put it together. "Most companies would prefer to keep their customers happy by resolving complaints.

"But first you have to tell them something's wrong."

The manual will help you tell 'em.

## Teachers warn

# Reagan tax scheme perils school funding

A Reagan Administration proposal to eliminate the deductions taxpayers now are allowed to take on their federal income tax returns for state and local property, income and sales taxes could result in drastic cutbacks in non-federal spending levels for education, the American Federation of Teachers warned.

"This proposal would constitute the largest slash in federal aid to education in our history," AFT President Albert Shanker told a Washington news conference.

"The biggest contribution the U.S. government currently makes to education is by allowing taxpayers to make state and local property and income taxes deductible on their federal income tax returns," Shanker said.

### New study

According to a new AFT study, the net effect of eliminating the deductions would be to increase federal income tax liability by more than $39 billion.

Shanker, who was joined by Sen. Daniel P. Moynihan (D-N.Y.), noted that the average per pupil loss on a national basis would be $271 if the deductibility option for state and local taxes was approved by Congress.

New York State would be the hardest hit with a $588 per pupil loss, while Wyoming would suffer the least, with a $75 per pupil loss.

In a separate statement, Shanker assailed Education Sec. William Bennett for his attacks on grants in aid and financial loans to college students. The Administration wants to slash the college loan program by 25 percent.

"We need an education secretary who will be a forceful spokesman for quality education," Shanker stressed. "We don't need a secretary who sees his job as being a hatchet man for the President."

The $2-billion cut in college aid the Administration is proposing would cause "a genuine hardship on hundreds of thousands of middle-income students and their families," he warned.

Shanker and Moynihan predicted that if the Administration succeeds in eliminating the tax deductions it will become increasingly difficult to get taxpayers at the state and local levels to pay for public schools. Education spending at those levels could decline by as much as $16 billion.

The deductions provide federal support for state and local services, particularly education, and help reduce the cost of those services in states with high levels of service.

In addition to the potential for sharp declines in state and local government spending, cutting out the deductions likely would result in more regressive tax structures, the AFT study warned.

"Elimination of the deductibility option will result in greater losses for taxpayers in states with higher levels of public services, more progressive tax structures, high income levels and a greater commitment to public schools," Shanker and Moynihan said.

Because education is by far the largest single area of spending of state and local governments, major losses would be incurred by those states with high levels of support for public education, the AFT study noted.

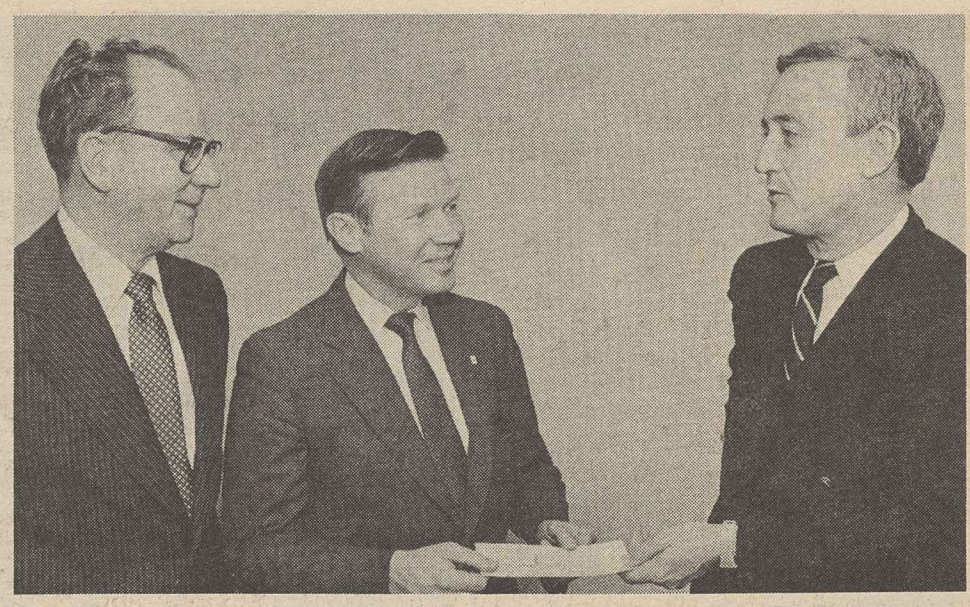
### Hardest hit

The study estimated that the hardest hit states, in terms of total dollar loss for education, would be California, $2.9 billion; New York, $2.1 billion; Michigan, $991 million; Illinois, $858 million, and New Jersey, $836 million.

In terms of dollar loss per pupil (elementary and secondary), the states that would be hit the hardest are New York, $588 per pupil; New Jersey, $586; Maryland, $541; Minnesota, $509, and Connecticut, $508.

Shanker said that while simplification of the tax system is needed, there should be no tampering with a popular deduction that is based on the concept that a taxpayer should not have to pay taxes twice.

"At a time when the federal government has acknowledged that our educational shortcomings have made us a 'nation at risk', there's nothing wrong with federal tax policy helping to provide for a vital public function," Shanker said.



Red Cross President Richard F. Schubert, center, receives AFL-CIO's African aid contribution from AALC Executive Director Patrick O'Farrell, right, and Community Services Director Frank Emig.

# *AFL-CIO's fund channels drought relief to Africa*

The AFL-CIO African Drought Relief Fund donated $34,000 to the Red Cross rescue effort to aid the famine-stricken regions of Africa.

Contributions to the fund, being channeled through the federation's African-American Labor Center, have come from the AFL-CIO and 17 affiliates.

AALC Executive Director Patrick O'Farrell presented the check to American Red Cross President Richard F. Schubert as a "first installment" in providing aid.

In a separate effort, the Letter Carriers and Postal Workers with the cooperation of the U.S. Postal Service raised more than $770,000 from 50,000 individuals.

News coverage of the famine in Africa has presented graphic evidence of the dire need for assistance to the 150 million Africans afflicted in six countries.

The federation's fund, first set up to provide "union-to-union" relief, is operating instead through the international agencies that are providing the needed assistance. Frank Emig, director of the Dept. of Community Services, said the change was made because many of the needy nations do not have free trade unions.

The AFL-CIO fund augments contributions made directly to relief agencies by its affiliated unions and the members.

Among the contributors to the African Drought Relief Fund are the Communications Workers, Letter Carriers, Electronics Workers, Transit Union, the Bakery, Confectionery & Tobacco Workers, Service Employees, Maintenance of Way Employes, Operating Engineers, Furniture Workers, Utility Workers, the Leather, Plastics & Novely Workers, Rubber Workers, Longshoremen, ILA Atlantic Coast District, SEIU District 3 and the Central California Newspaper Guild.

# Irish cause tied to labor support for human rights

New York—Concern for human rights and worker rights around the world is a hallmark of the American trade union movement, AFL-CIO Sec.-Treas. Thomas R. Donahue said in a tribute to Carpenters President Patrick Campbell.

Campbell was honored by the American Labor Committee for Human Rights in Northern Ireland for his long "service to the labor movement" and dedication to the "cause of Irish freedom."

Speaking at the presentation ceremony, Donahue noted that when people are getting kicked around, Campbell is "always against the kicker and prepared to defend the people being kicked."

He reminded the gathering that people are being kicked around today "not only in Poland and Chile, in Central America, in South Africa and Northern Ireland, but in our own country as well."

In the battle for human rights, Donahue said, "we acknowledge delays but not defeats. . . This movement of ours was built for the long haul."

Donahue noted that the first statement on international affairs made at the 1881 founding convention of today's labor movement was in support of the struggle for freedom of the Irish people. "I take pride in this movement's unbroken record of unwavering support for that cause," he said.

As in South Africa, the hope for change in Northern Ireland rests in "intensive pressure applied by other nations." Donahue said the outlook in Northern Ireland is brightened since the parties are at least "engaged in a sometime dialogue." But it will take world and government opinion to move beyond "sterile dialogue" toward a peaceful resolution, Donahue observed.

"We need to speed this effort," he urged.

# OSHA pressed to end delay on standard for cancer agent

Any further delay by the Occupational Safety & Health Administration in proposing a standard on ethylene dibromide would be "an unconscionable act" needlessly jeopardizing the lives of workers exposed to the cancer-causing chemical, the AFL-CIO Food & Allied Service Trades Dept. said.

It has been over a year since the Environmental Protection Agency issued a ban on most uses of this toxic pesticide. After September 1984, EDB use was permitted only on fruit for export between October and January. On Feb. 4, 1985, the EPA agreed to allow post-harvest fumigation of citrus products exported to Japan through the month of June.

FAST President Robert F. Harbrant, in a letter to OSHA Administrator Robert Rowland, urged immediate implementation of a standard limiting worker exposures to 100 parts EDB per billion parts of air. OSHA's current standard—20,000 ppb—is 200 times higher than that.

Harbrant noted that an EPA letter in March 194 informed OSHA that exposure and risk estimates for workers in Florida warehouse operations "warrant additional protection for these workers." Earlier, EPA had urged the agency to reduce the exposure limit to 100 ppb.

### Still waiting

OSHA, on Oct. 7, 1983, proposed lowering the worker exposure level to 100 ppb for EDB, which is a colorless, nonflammable liquid linked to cancer and reproductive damage. Hearings on that proposal were held one year ago, but OSHA doesn't plan to issue a standard before May.

The agency has twice rejected petitions by labor for an emergency standard to lower the exposure limit to 100 ppb. The most recent rejection came last June, several months after the EPA had limited the levels of EDB allowed in food.

Harbrant noted in his letter that dock workers in Japan who are receiving the treated fruit have a worker exposure standard of 130 ppb, while the American workers who load and transport the citrue products can legally be subjected to exposures up to 20,000 ppb.

# Congress urged to continue supplemental jobless benefits

The AFL-CIO and a coalition of organizations concerned with the plight of the jobless are pressing Congress to continue the Federal Supplemental Compensation program for the long-term unemployed.

The FSC program, started in 1982, is now providing benefits to some 315,000 persons who were still without jobs when their state unemployment insurance entitlement was used up—usually after 26 weeks of payments.

FSC allows an additional eight weeks of federal payments in most states, with up to 14 weeks in states with the highest insured unemployment rates.

### Hearings set

Unless Congress acts, the FSC payments will end on Mar. 31 when the law expires. A House Ways & Means subcommittee has set hearings on an extension bill for later this month, with the AFL-CIO scheduled to testify.

An intermediate program of extended benefits, financed half by the states and half in federal matching funds, remains on the statute books. But eligibility requirements have been made so stringent that the extended benefits program is still in effect only in Alaska, West Virginia and Puerto Rico.

A call for an extension of FSC—as the first step toward permanent strengthening of the unemployment compensation safety net—was made by the Full Employment Action Council, a coalition of some 50 organizations. The council is headed by Coretta Scott King, president of the Martin Luther King, Jr., Center, and Clothing & Textile Workers President Murray H. Finley.

In their letter to members of Congress, Finley and King pointed to the continued seriousness of the long-term unemployment problem and the large numbers of workers passed by in the nation's recovery from the depths of recession.

The workers drawing FSC, and those who have already used up their eligibilty or weren't eligible to start, "are looking for employment and can find none through no fault of their own," they stressed.

The number of long-term unemployed has grown by 20 prcent over the past four years, the council letter stressed, and the unemployment compensation system "is clearly not meeting its objective" as "partial wage replacement to involuntarily unemployed workers."

# Ohio ruling lifts limits on disease claims

Columbus, Ohio—Another in a series of workers' compensation decisions by the Ohio Supreme Court will help employees suffering from occupational diseases qualify for benefits that a statute of limitations law had denied them.

In its latest decision, Ohio's high court threw out a state law that had limited the period during which victims of silicosis could file for workers' compensation. Silicosis is a debilitating and sometimes fatal lung disease.

The state supreme court's decision is expected to open the way for workers' compensation filings by victims of other occupational diseases who had also been shut out by the state's statutes of limitations.

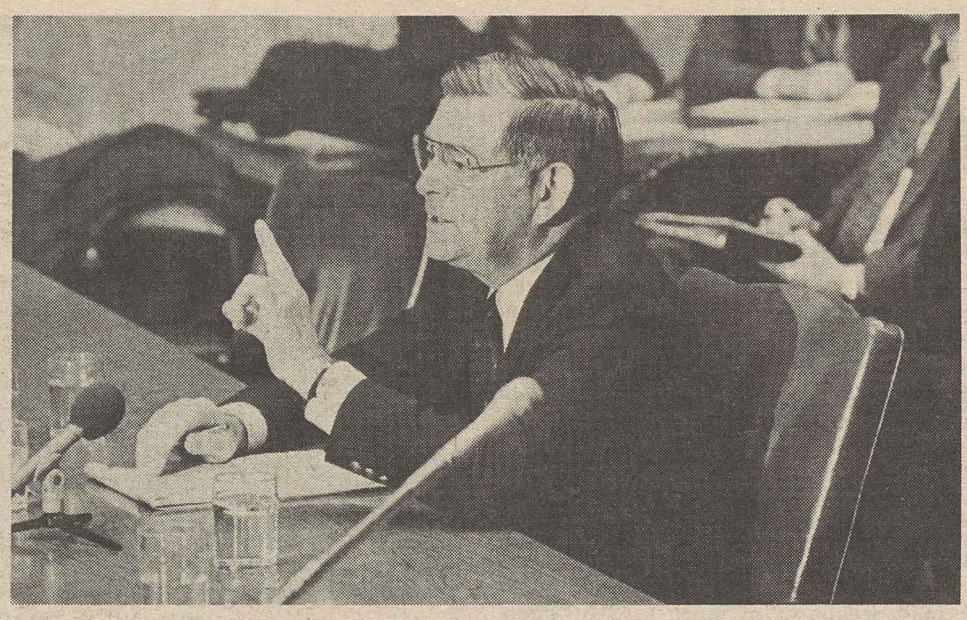
In 1976, the Ohio legislature removed the statute of limitations on filing for compensation for occupational diseases, but the change was not applied to workers affected before its enactment. Consequently, many workers afflicted before 1976 were denied the right to obtain benefits.

### Eight-year limit

Previously, victims of silicosis and other occupational diseases had to file for benefits within eight years after the last exposure to the injurious working conditions. In the case the high court reviewed, the claimant's last exposure and eventual death both occurred before the law was changed.

The court ruled that the restrictions on a claimant's right to file for workers' compensation were not "rationally related" to the state's policy of awarding benefits to the victims of occupational disease and so should not be used a a barrier to filings.

In December, the court had ruled that workers who suffer from job-related injuries that develop over a long term may be entitled to compensation. And in a separate decision, the court broadened the definition of "intentional wrongdoing" by employers to permit more workers to apply for benefits if they are injured on jobs where management knew there was "substantial certainty" of harm.



RLEA Chairman Ole Berge at Senate hearings on sale of Conrail.

# *Battle over Conrail's sale switched to Capitol Hill*

**Continued from Page 1**

vestitures and abandonments of trackage could result in a loss of jobs for up to 2,530 employees, from both Norfolk & Western and Conrail.

Ironically, Norfolk Southern was the one candidate overwhelmingly rejected by the Railway Labor Executives' Association, an umbrella group made up of 19 unions representing members employed by all railroads. Alleghany was the only one of the three bidders that all RLEA affiliates could accept.

As part of Alleghany's offer, Conrail workers would receive more than a 30-percent share in Alleghany. The New York-based firm also offered $1.2 billion for the freight carrier and assurances it would operate and maintain the system for a period of years.

Meanwhile, at its winter meeting in Miami Beach, the RLEA was reviewing its options in the Conrail sale.

RLEA Chairman Ole Berge, who is president of the Maintenance of Way Employees, said the key to labor's position is that Conrail's 35,000 employees must have their wages restored to industry levels, retroactive to July 1, 1984.

The unions and Conrail management signed a 39-month agreement in 1981 calling for deferral of a 12.5-percent wage increase that workers on all other major railroads received. With Conrail now a healthy and profitable property, they rightfully expect to be made whole, Berge stressed.

President Richard I. Kilroy of the Railway & Airline Clerks, voicing concern that Alleghany would be unable to abide by its pledge to restore wage rates, came out in favor of a public sale of Conrail.

When Congress begins to consider legislation needed to consummate the sale, it is expected to focus on the process that led up to the selection of Norfolk Southern as the Administration's choice.

### Close scrutiny

Rep. James J. Florio (D-N.J.), who chairs the House Subcommittee on Commerce, Transportation & Tourism with jurisdiction over the legislation Congress must pass to let the government sell its 85-percent interest in Conrail, promised to hold tough hearings on the proposed sale.

Florio said he has serious questions about the cash offering made for Conrail, indicating that the sum of $1.2 billion does not come near the true worth of the railroad. Conrail recently was estimated to have a net worth of $5.7 billion, including physical plant, rolling stock, and other assets.

Both the House subcommittee and the Senate Commerce Committee will hold hearings in late February on Dole's recommendation of Norfolk Southern.

All indications, however, point toward considerable delay before Congress approves Norfolk Southern, if it approves it at all. Sen. Arlen Specter (R-Pa.) said he will introduce legislation Feb. 19 to halt any such transaction. Congress is now in recess, and that is the earliest Specter can offer any legislation.

Rep. John Dingell (D-Mich.), who chairs the full House Energy & Commerce Committee, said that he and his House colleagues would not be stampeded into a decision on the Conrail sale without taking a careful look at "all options on the table."

Conrail, which operates in 15 northeast and midwestern states, was created in 1976 out of the bankrupt Penn Central and five other ailing northeastern railroads.

# State action slow on update of unemployment insurance

**Continued from Page 1**

actions affecting benefit levels or eligibility standards:

**Alaska**—The ceiling on individual benefits rose from $155 to $188. With the maximum dependents' allowance, the rise is from $228 to $260.

**Arkansas**—Benefits have been frozen at a maximum of 60 percent of last year's state wage average. But the legislature recently approved a two-step thaw. In July, the benefit ceiling will be based on the 1985 wage average. In July 1986, the maximum benefit will be fully restored to two-thirds of the then-current average wage.

**California**—An employer who is ordered to reinstate a worker who was wrongfully fired no longer will profit from the fact that amounts received in unemployment compensation are deducted from back wages due. As have a number of other states, California now requires the employer to reimburse the unemployment fund for the amount paid out. Another law change specifies that a person will not be disqualified for having voluntarily left a job if the person chose to be laid off rather than exercise a right to bump an employee with less seniority. Similarly, there will be no disqualification of an employee who quits because of sexual harassment.

**Kansas**—Maximum benefits were frozen at $175 until July 1986 unless employers are assessed a surcharge to replenish the fund.

**Iowa**—No disqualification for refusal to bump a less senior worker to avoid a layoff.

**Maryland** — Maximum benefit raised from $165 to $175 but the most interesting development involved a work-sharing arrangement set up to avoid layoffs. Temporary legislation, to expire June 30, 1986, unless renewed, allows partial unemployment benefits to persons whose hours of work have been reduced as an alternative to layoffs. If the workers are represented by a union, the work-sharing plan must be one that has been negotiated or agreed to by the union.

**Mississippi**—Maximum benefit raised from $105 to $115.

**Missouri**—Benefit ceiling went up on Jan. 1, 1985, from $105 to $120. It will rise to $125 next year, to $130 in 1987 and $140 in 1988. Thereafter, it will go to $150 if the amount in the unemployment fund is at least $25 million.

**New Jersey**—The benefit computation formula was changed from two-thirds of the individual's wage up to 50 percent of the statewide average wage. It is now 60 percent of the lost wage, up to a maximum of 56⅔ percent of the state average. Dependency allowances are added to the benefits received but the total may not exceed the maximum benefit amount.

**South Dakota** — Maximum benefit is frozen at $129.

**Virginia**—Maximum raised from $138 to $150.

**Washington** — Benefit ceiling remains frozen at $185 until July 7, 1985. After that, a new law specifies, the maximum will be 60 percent of the average state wage providing the balance in the unemployment trust fund meets specified standards.

**Wyoming** — Benefits that exceed $90 may be reduced when funds are inadequate.

# GOP in Idaho repeals law on prevailing pay

Boise, Idaho—Contractors are looking forward to paying lower wages and providing fewer benefits in the aftermath of the legislature's repeal of the state's prevailing wage law.

The repealer became law without the governor's signature when it became apparent that the Republican-dominated legislature would override a veto just as it did a week earlier on a "right-to-work" bill outlawing union shops.

An official of the state contractors association, Joe Kuebler, said that in developing new and lower wage scales for state-funded construction, "we'll have to find the magic number that the guys will go to work for."

Idaho Public Works Director Brian Chase said he anticipated a 20-percent cut in payrolls on state construction projects, but he expressed concern that quality will suffer if projects go to the low bidder as the law requires.

"I'm concerned about a guy who pays carpenters $4 an hour," Chase said in an interview with the Bureau of National Affairs.

The new legislation repeals the eight-hour-day limitation on straight-time work that had been a part of the prevailing wage law. But it leaves intact a provision in the state constitution that sets an eight-hour work day standard for the private sector. It also retains the provision of the prevailing wage law that limits the employment of out-of-town workers to not more than 10 percent of the workforce on state construction projects employing up to 50 workers and 5 percent on larger projects.

Meanwhile, the dispute over the effective date of the new "right-to-work" law is still in the state courts.

# Ralph L. Helstein dies, former head of meat packers

Chicago—Ralph L. Helstein, who headed the former Packinghouse Workers and served two terms as an AFL-CIO vice president, died Feb. 14 at his home here. He was 76.

Helstein was a leading labor lawyer in his home state of Minnesota when he came to the Packinghouse Workers as general counsel in 1942. He was elected president four years later and his tenure was marked by contracts that broke down race, sex and geographical barriers. He was elected to the AFL-CIO Executive Council in 1965.

With the shrinkage of the meatpacking industry, the Packinghouse Workers merged with the Meat Cutters in 1968. Helstein served as vice president and general counsel of the merged union, retiring in 1972 with the title of president-emeritus. A subsequent merger with the Retail Clerks created the present-day Food & Commercial Workers.

Survivors include his wife Rachel and two daughters. The family has asked that memorial contributions be sent to the Illinois Labor History Society, 28 E. Jackson, Chicago, Ill. 60604, for its Ralph Helstein Fund for education in labor history.

# Air Line Pilots press Continental fight

Washington—The Air Line Pilots voted overwhelmingly to continue the union's strike against Continental Airlines and to maintain the special member assessment used to finance strike benefits and the ALPA's continuing court battles with Continental.

The decision to sustain the strike, now in its 16th month, was approved by an 80.2-percent vote. This was up from 74.5 percent in an earlier ballot last October. Members also voted by a 2-to-1 ratio to continue strike benefits for striking Continental pilots at $2,400 a month, about three times the usual benefit.

The ALPA's legal efforts against Continental include a $100 million lawsuit against the firm for unfair labor practices, defense against a similar countersuit by Continental, and a dispute over pension funds owed the striking pilots.

The special assessment will assure a financial base for a long-term effort against the carrier, the ALPA said.

# EDITORIALS

## Grieving

UNION MEMBERS don't need any preaching about the importance of an effective grievance procedure. They know it's the heart of contract enforcement.

But how about a grievance procedure without a union? As a recent decision by the 6th Circuit U.S. Court of Appeals made clear, there's no such thing.

The case that reached the court was right out of the company-union era of American history. It involved the tactics used by the Lawson Co., a chain of convenience food stores, to thwart an organizing drive in Ohio by the Food & Commercial Workers.

Management's actions included such mailed-fist tactics as interrogating workers about their support for a union and threatening to close stores whose employees voted for union representation. But the company didn't stop there, as NLRB and federal court proceedings revealed.

If employees had any complaint, why management's door would be wide open. In fact, some long-standing complaints were suddenly quickly resolved through a new "Sales Assistant Committee" that was established.

TO FORM the committee, management brought together groups of hand-picked employees. They in turn would choose representatives to serve on a Sales Assistant Committee which every three months would meet with management to discuss employee complaints.

As the appellate court opinion noted:

"The committee held no meetings apart from its discussions with management, formed no coherent program or plan of action, and discussed only those subjects that Lawson's senior management determined were of greatest interest to the employees. . . . Discussion proceeded according to an agenda prepared by management. The sales assistants did not take minutes, and communications concerning the committee's work were written and circulated by management."

It was clearly obvious, the court held, that the committee was employer-dominated in violation of the National Labor Relations Act.

What is not obvious, however, is why it took nearly four years to enforce the law when the violation is so blatant. That's the time it took, shamefully, to move a simple case through the National Labor Relations Board and through the federal court enforcement process.

And don't bet your last dollar that management lawyers won't find a way to delay still furthering the slap-on-the-wrist "penalty" of promising not to continue violating the law.

Labor law reform, anyone?

## Hatch Act Harassment

THE HATCH ACT was passed by Congress in 1939 to protect, not harass, federal employees.

The restrictions on political activity were designed to shield workers from the pressures of politically appointed superiors to contribute to campaigns or to put in after-hours work for the party in power.

Obviously, it is stretching the intent of the law beyond recognition to seek to apply it punitively to leaders of the largest government and postal employee unions who have been on unpaid leave from the jobs they held before being elected to full-time union office.

But it is at least as outrageous to keep on the books sections of the law that discourage several million Americans from full participation in the nation's political life because of their employment.

Congress recognized this in 1976 when it amended the law to remove barriers to employee rights while retaining protections against political pressure. President Ford's veto was clearly misguided.

Hatch Act amendment was needed then. It is needed just as much now.




**Washington Window**

# New Deal era programs under attack by Reagan

**By Press Associates, Inc.**

This is the anniversary season for the G.I. Bill, Wagner Act and Social Security Act—New Deal era measures that profoundly changed American society and strengthened the fabric of democracy. Even so, they are under attack by the Reagan Administration.

President Franklin D. Roosevelt in June 1944 signed legislation with the innocuous title, "Servicemen's Readjustment Act." Roosevelt acted 16 days after the D-Day invasion of Europe. The tide of victory was under way, and the nation anticipated the return of some 16 million service personnel to civilian life.

The Veterans Administration marked the 40th anniversary of the G.I. Bill recently with justified bragging, saying it transformed adult education and spurred the greatest housing boom in the nation's history.

Since 1944, more than 18 million persons have received education and training with a public investment of $55 billion. Benefiting were 8 million World War II veterans, 2.4 million Korean War veterans, and 8 million post-Korean and Vietnam-era veterans and active-duty personnel.

About 45 percent of the G.I. Bill benefits were used to attend college. The remainder was used for technical, farm and other training.

### Education benefits

In 1944, only a quarter of the U.S. population had graduated from high school. Starting with those born since the G.I. Bill, 90 percent of Americans have finished high school, and 25 percent have finished college.

More than $225 billion in VA-guaranteed home loans was provided to 11 million veterans since 1944, with more than half the loans repaid in full. Fewer than four out of 100 veteran home owners have defaulted, the VA reports.

The National Labor Relations Act of 1935 was enacted to bring some order into the industrial chaos of the time. Corporate leaders, including Henry Ford, thought nothing of hiring execons and goons to combat unionism. The Wagner Act protected the right of workers to organize and bargain collectively and created the National Labor Relations Board to administer the law.

The Wagner Act did not magically bring change. It took aggressive organizing to establish bargaining in the mining, steel, auto, rubber, electrical equipment and transportation industries, covering 40 percent of the workforce of the time.

### Voice in workplace

The Wagner Act served two basic purposes. By promoting more equal bargaining power, it reduced the need for government regulation to protect workers from socially destructive wages and working conditions, while collective bargaining gave workers a voice in the workplace, thereby strengthening political democracy.

The Social Security Act of 1935 resulted mostly from the work of FDR's Committee on Economic Security. It established a national system of contributory old-age and survivors insurance and a federal-state unemployment insurance, the latter of which lacks national standards to this day. There were those who favored the inclusion of national health insurance, but the American Medical Association snuffed out that idea.

These and other achievements of the New Deal have stood the test of time. Now, social security and labor's rights are under assault by the ideologues of the Reagan Administration, backed by hardline elements of the business community.

The G.I. Bill enabled millions of veterans and their families to become part of the middle class, but this program runs out in 1989.

The so-called Reagan Revolution has brought back high unemployment and mass hunger and homelessness. The "magic of the marketplace" obviously cannot solve these problems.

Democrats in search of a purpose for their party would do well to examine its history, add their own ideas and try to complete the work begun a half-century ago. Full employment, national health insurance and decent housing are still worthy goals to pursue.

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# LEGISLATIVE ALERT!

## Congress Begins Work on Several Fronts; Civil Rights, Hobbs Act, Imports Top List

### Hearings to Broaden Anti-union Picket Sanctions

Traditionally, the anti-labor forces brandished the Hobbs Act in the Senate Judiciary Committee as a club with which to threaten labor. Now these factions are convening hearings in the Senate Labor committee to examine "union violence." The employer-financed National Right to Work Committee uses the hearings as sounding board to raise funds from employers.

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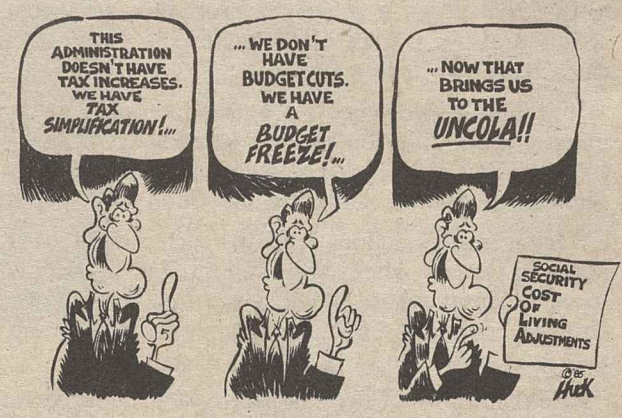
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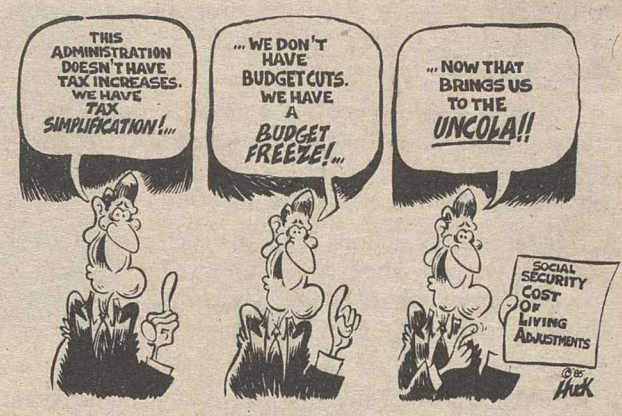
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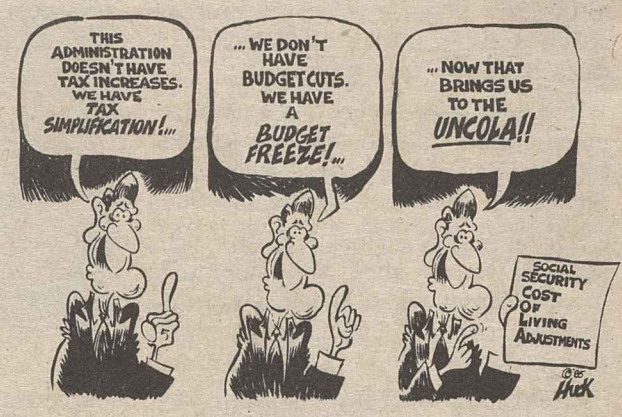
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A Fact Sheet providing information on the taxation of fringe benefits is available from the Dept. of Legislation, AFL-CIO.

## Legislative Action Committee Members Played Key Role in Bankruptcy Victory

Members of AFL-CIO Legislative Action Committees, located in strategic regions of the country, played a critical role in winning passage of important bankruptcy legislation in the 98th Congress. A recent post-campaign review reveals that without their endeavors, the full-fleged effort mounted across the country might not have been successful.

While significant numbers of rank and file workers responded to the direct mail appeal sent out by the Federation last year, it was the core group of activists--those who attend Legislative Action Committee meetings and read this newsletter--who responded rapidly and consistently with letters to their congressmen and senators.

The AFL-CIO review showed that LAC activists responded more quickly and in numbers six times the average response. The result was that legislators received a far heavier outpouring of mail supporting legislation to save union contracts.

AFL-CIO lobbyists maintain they never could have had the strong back-home reinforcement within the short time frames required by some of the mailings without the efforts of this core group of dedicated activists.

# Council asks federal leadership to reduce nation's 'jobs deficit'

AFL-CIO news

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## *Policy stands put focus on unemployed*

**By John M. Barry**

Bal Harbour, Fla. — The AFL-CIO issued a comprehensive set of programs to deal with the nation's economic and social needs and called on the federal government to meet its special responsibility to take the leading role.

The federation's Executive Council, at its winter meeting here, issued separate statements detailing proposals for reducing the foreign trade deficit and policies for reducing the federal budget deficit while carrying out the twin responsibilities of "providing for the common defense and promoting the general welfare."

But while the nation focuses on the budget and trade deficits, "the deficit in job opportunities poses an equal threat," the council declared. It pointed out that 8.5 million Americans are officially unemployed and 7 million more "are either too discouraged to seek jobs or can find only part-time jobs."

### Unacceptable levels

The council said reduction of these unacceptable levels of joblessness must be the central focus of U.S. fiscal, monetary, trade, employment and training policies.

Most of the opening session of the council meeting was devoted to a reunion with former Vice President Walter F. Mondale, the Democratic candidate whom the AFL-CIO supported in last year's presidential election.

Mondale thanked the federation—and the council members specifically—for supporting him during the primary and general election campaigns and throughout his public life. He discussed the importance of the 1986 congressional elections, and he urged labor to recognize its strength and not retreat from full participation in the presidential nomination process in 1988.

Later, at a news conference, AFL-CIO President Lane Kirkland recalled that the federation had supported Mondale "because we agreed with what he stood for, and we knew that he was a man who wouldn't run away from those things just because it wasn't politically profitable."

Other visitors during the early sessions of the council meeting included Sen. Bob Packwood (R-Ore.), chairman of the Senate Finance Committee, and James Shuart, president of Hofstra University and a member of the board of the American Council on Education. Packwood discussed the concern that he and the federation both have at proposals to tax workers' life-support benefits. Shuart described the agenda for a recently formed Labor/Higher Education Council, a coop-

**Continued on Page 3**

# High court repairs gap in wage law

**By David L. Perlman**

The Supreme Court restored federal wage-hour protections to millions of state and local government employees Congress had sought to bring under the Fair Employment Standards Act.

Its 5-4 decision scrapped—as union attorneys had urged—an earlier Supreme Court ruling in what has become known as the National League of Cities case.

That 1976 decision, also by a 5-4 majority, adopted a states' rights interpretation that Congress lacked authority to set minimum wage and overtime standards for public-sector workers who were employed in "traditional government functions."

An overtime pay claim under the wage-hour law, which the Amalgamated Transit Union pressed on behalf of San Antonio bus drivers, brought the issue back before the Supreme Court. And a switch in position by Justice Harry A. Blackmun led to the reversal.

Blackmun had gone along with the League of Cities verdict, but had expressed some misgivings in a separate opinion. Now, writing for the new majority, he concluded that the distinction the court had sought to make between different categories of public employment had proved "unsound in principle and unworkable in practice."

### Constitutional backing

There is no reason for state governments to be immunized from the constitutional authority of Congress to regulate commerce, the court's present majority held. Federalism is built into the constitutional framework of government, the opinion noted, through such provisions as equal representation of states in the Senate and the electoral vote system of choosing the President.

Joining Blackmun to make up the majority were the four dissenters from the League of Cities decision—Justices William J. Brennan, Jr., Byron R. White, Thurgood Marshall and John Paul Stevens.

The minority included three members of the 1976 majority—Chief Justice War-

**Continued on Page 8**



Walter Mondale thanks council members for their support.

**Sharing the burden**

# Domestic cuts break consensus on defense

Bal Harbour, Fla.—"If vital domestic programs are to be cut or frozen, defense spending must also be frozen," the Executive Council declared.

Its strongly worded statement on the budget deficit rejected Administration proposals to scuttle domestic programs so as to increase military spending without raising taxes.

The council listed a range of program cutbacks and abandonments sought by the Administration which labor considers "contrary to the national interest." It reiterated the AFL-CIO's continuing commitment to a strong national defense. But it stressed the trade union movement's equal commitment "to a strong economy and social justice at home."

The goals are not contradictory except in the President's approach to the budget and the federal deficit, the council made clear. It noted that the AFL-CIO's response to earlier Reagan proposals for increased defense spending was that needed expansion should be financed through a special surtax on both corporate and individual income.

Instead, the council noted, the Administration has pushed to offset higher defense spending by cutting back social programs. Rather than raise taxes to meet military needs, it has insisted "on cutting taxes, especially for the wealthy, thereby shifting a greater burden for defense on working Americans."

That approach by the Reagan Administration has undermined the national consensus for increased defense spending, the statement noted.

At a news conference, Federation President Lane Kirkland amplified the point in response to questions from reporters.

There is no question, he said, that the nation needs "a level of defense commensurate with the dangers that the country faces." But "a very good test" of the dimensions of the military need "is a willingness to pay for it."

**Continued on Page 3**

# *Major trade law revisions sought*

Bal Harbour, Fla.—Major revisions of U.S. trade laws and policies to bring them into line with "today's trade realities" were urged by the AFL-CIO Executive Council.

"America's trade problems have reached crisis proportions," the council declared in a statement, citing the nation's 1984 trade deficit of $123 billion overall and $89 billion in manufactured goods alone.

"These mind-numbing dollar losses have already resulted in the loss of over three million jobs, primarily in manufacturing industries, and have caused serious damage to America's industrial base with prospects of more to come unless effective counteraction is taken soon," the council declared.

It noted that the trade crisis is affecting the entire industrial spectrum, "high tech and low tech," and stressed that the "academic abstractions of free trade and natural comparative advantage" have no bearing on the real world of international trade in the 1980s.

### Overvaluation factor

The council stressed that complete solutions will require effective national industrial and economic policies, including better fiscal policies and lower interest and dollar exchange rates. The present overvaluation of the dollar contributes significantly to the trade problem by raising the price of exports and lowering the cost of imports.

"U.S. trade law must be modernized to reflect contemporary realities in a world where the United States is the only country which exposes its industrial foundation to unlimited erosion from imports," the statement said.

"We emphasize that conserving American jobs and conserving American industries are political decisions for which members of Congress must be accountable, and the Administration must be held fully responsible."

**Continued on Page 2**

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Executive Council focuses on pressing international issues at its winter session in Bal Harbour, Fla.

# Labor outraged at sheltering of Nazi war criminal

Bal Harbour, Fla. — The AFL-CIO called on the U.S. government to work relentlessly through national and international channels to bring Nazi war criminal Dr. Josef Mengele to justice.

The Executive Council called it an "unspeakable outrage" that 40 years after the liberation of Auschwitz, Mengele remains free, and reportedly under the protection of Paraguayan dictator Alfredo Stroessner.

Mengele, the notorious "Angel of Death," sent hundreds of thousands of Jews to the gas chambers during the Holocaust.

His continued freedom "brings shame and dishonor" on the free world, an international tribunal convened in Jerusalem declared. The council noted that this conclusion was resolved after hearing testimony of Auschwitz survivors about his grotesque death-camp experiments on Jewish twins in search of a genetic key to building Hitler's "master race."

The council said it welcomed a Justice Dept. announcement that it plans to investigate the report uncovered in recently declassified documents indicating that U.S. occupation troops in Austria may have arrested Mengele and then inexplicably freed him.

# *Time for peaceful change dwindles in South Africa*

Bal Harbour, Fla.—South Africa's policy of apartheid cannot be maintained indefinitely, the Executive Council warned.

"The real issue is whether it will be abolished peacefully or violently. The longer South Africa resists peaceful change, the more it invites the bloody alternative," a council statement declared.

It said the AFL-CIO is committed to cooperate with the movement in South Africa that seeks an end to apartheid through peaceful, democratic means. The federation will look to those inside South Africa, fighting on the front lines, for leadership.

### Democracy's cornerstone

"We have been especially encouraged by the emergence in recent years of the black trade union movement in South Africa. Freedom of association is the foundation of democratic institution-building, and offers the most promising hope for peaceful social change," the council observed.

"The AFL-CIO will, therefore, continue to respond to requests for assistance through its Program of Action in Support of Black Trade Unions in South Africa and through the ongoing programs of the African-American Labor Center."

The council said that AFL-CIO assistance will be guided by the same principle that has governed the federation's aid to workers of Poland, El Salvador, and every other country where its help has been sought—"namely, that we will respond to the expressed needs and wishes of our brothers and sisters who are under the gun."

Its pledge of support came on the heels of another police crackdown on black leaders opposing apartheid. They included Samuel Kikine and Isaac Ngcobo of the South African Allied Workers' Union, who were arrested and charged with treason along with four others.

The council called on other free world labor movements, especially those in the industrialized nations that trade with South Africa, to urge their governments to press for an end to "preventive detention" laws that are used to harass, intimidate, and imprison labor leaders and others without trial.

"These laws, in effect, nullify much of whatever benefit accrued from previous legislation recognizing the trade union rights of black workers," the council said.

### Inquiry sought

It also asked the International Labor Organization to investigate the appalling conditions of black workers in South Africa, including the forced removal of black workers to "homeland" provinces. Toward this end, the ILO should consider setting up a commission of inquiry similar to the commissions it established in the cases of human rights violations in Chile, Poland and other countries, the council urged.

Meanwhile, the AFL-CIO will continue to cooperate with the International Confederation of Free Trade Unions in a multilateral assistance program to South African black trade unions, and to participate in union-to-union programs conducted by international trade secretariats.

In criticizing the Reagan Administration's "constructive engagement" policy as ineffective, the council suggested that the ILO monitor the conduct of all corporations operating in South Africa to see how they observe universal labor standards and whether they respect black trade union rights.

Companies that fail in their social responsibilities should be targeted for disinvestment, boycotts, adverse publicity campaigns, and other appropriate measures, the council said.

"In considering whether and when to apply such measures, the AFL-CIO will be guided by the wishes of the black trade union movement of South Africa," the council added.

# Job equality test supported for Northern Ireland firms

Bal Harbour, Fla.—U.S. corporations operating in Northern Ireland should adopt and adhere to a set of guidelines that promote equal opportunity in the workplace, the AFL-CIO Executive Council said.

It further urged that major institutional investors, and pension and welfare fund trustees make sure that the companies in which they invest adhere to the "MacBride Principles."

The guidelines were devised by international human rights advocate Sean MacBride of Dublin to address the serious problems of employment discrimination in Northern Ireland. He is the founder and first chairman of Amnesty International and a 1974 recipient of the Nobel Peace Prize.

The principles call on employers in Northern Ireland to:

- Hire more individuals from under-represented religious groups in all areas of the workforce.
- Insure adequate security for minority workers both at work and while traveling to and from work.
- Ban provocative religious or political emblems from the workplace.
- Publicly announce job openings and encourage recruitment of applicants from under-represented religious groups.
- Abolish job reservations, apprenticeship restrictions and differential job criteria that discriminate on the basis of religion or ethnic origin.
- Develop training to prepare substantial numbers of current minority employees for skilled jobs.

An AFL-CIO delegation that visited Northern Ireland reported to the executive council, that until the problems of employment discrimination and all other forms of discrimination currently practiced in the territory "are forcefully and forthrightly addressed, there can be little hope for a reduction in the level of violence or for the development of attitudes which will bring about a more stable society."

The council statement noted that the MacBride Principles are consistent with the positions taken by the AFL-CIO to promote equal opportunity in the workplace, and are similar in aim to the Sullivan Principles which American corporations have been asked to accept in South Africa.

# Edward J. Leonard dies, past Plasterers leader

Bethesda, Md. — Edward J. Leonard, president emeritus of the Plasterers & Cement Masons, died after a heart attack Feb. 15. He was 80.

Leonard joined the Plasterers & Cement Masons in 1923, and in 1932 became business agent for Local 31 in Pittsburgh, where he served for six years. He was appointed to the union's executive board in 1951 and was elected first vice president three years later. Leonard was elected president in 1958 and headed the union until retiring in 1970 as president emeritus.

He also was a member of the Pittsburgh city council from 1938 to 1951.

# Trade crisis brings call to update laws

**Continued from Page 1**

The council said the overhaul of U.S. trade law must include:

- Stronger measures to counter and remedy the effects of unfair trade practices by other countries, such as dumping, subsidies and disruptive imports.
- Effective relief from the export-oriented industrial targeting practiced by foreign governments to the detriment of basic American industries.
- Easing of standards for import relief of American industries and workers damaged by imports, specifically recognizing plant closings and layoffs as signs of serious injury qualifying for relief.

The council's statement also called for specific legislative and policy actions to deal with the trade-related problems of individual industries, such as autos, steel, copper, maritime, textiles, shoes, telecommunications, electronics and printing.

### Prodding needed

On the auto industry, for example, AFL-CIO President Lane Kirkland stressed labor's support for extension on a multi-year basis of the voluntary restraint agreement (VRA) on Japanese auto imports. Kirkland told reporters at a news conference during his recent trip to Japan where he talked to a wide range of officials, including the Prime Minister, he developed "a strong feeling that the problem is not on the Japanese side. I do believe they would be more than willing to do that if we pressed for it. I think the problem is on the side of our own negotiators."

Later that day, President Reagan's Cabinet Council on Commerce & Trade recommended that he not press for extension of the VRA with Japan.

On the other trade issues, the council urged policies to assure the processing in this country of a significant portion of raw materials destined for export.

It called also for renewal and restoration of funds for the Trade Adjustment Assistance Act, which will expire next September, in order to assure help for workers displaced from their jobs by imports.

Promotion of American exports should be continued as an important function of trade policy, the statement stressed, but Export-Import Bank funds should not be used to finance projects in other countries in industries where excess capacity already exists. Also, controls on the transfer of American technology must be maintained to assure continued technological progress, national security and competitive advantage for American industry.

### Fighting apartheid

The council called on Congress to enact restrictions on U.S. trade and investment with South Africa as an effective way to pressure that country to end its policy of apartheid.

It urged policies to regulate the immense flows of international investment, including better enforcement of codes of conduct for multinational enterprises to protect the rights of their workers. It also called on the Administration to abandon its emphasis on overseas investment by American business. Emphasis should be on the interests of the American economy and American workers, the council said.

"The United States must not negotiate away domestic employment for business access to foreign markets," the council declared.

# ILA restructures funds for fringe benefit plans

New York—The Longshoremen, the New York Shipping Association, and the Port Authority of New York & New Jersey reached agreement on a plan to restructure the funding of fringe benefits.

The agreement does not change the amount or coverage of benefits longshoremen receive. It simply distributes the $214 million levy for the benefits among a wider variety of shipping firms.

The agreement, which will go to the Federal Maritime Commission for approval on Feb. 27, essentially transfers about one-third of the costs of providing the benefits from vessels carrying long-distance freight into and out of the New York harbor to vessels carrying empty containers.

Formerly, no assessment was made for empty containers while loaded ships operating out of New York paid a fee that was approximately five times the national average. The new fee will be about $160 per container, down from $250.

# Council tackles nagging jobs deficit

## *Federal government's role termed essential to success*

**Continued from Page 1**

erative effort between the ACE and the AFL-CIO in which Federation Vice President Sol C. Chaikin has played a leading role.

Council members also conferred with Senate Majority Leader Robert Dole (R-Kan.) prior to the opening of the week-long meeting.

The council issued a strong condemnation of the Reagan Administration's misuse of the Hatch Act to attempt to silence leaders of federal employee unions. Other statements included memorial tributes to former AFL-CIO Vice Presidents Al F. Grospiron of the Oil, Chemical & Atomic Workers and Ralph Helstein of the Food & Commercial Workers who died recently.

On international affairs, the council adopted statements outlining labor's role in fighting South Africa's apartheid policy, condemning the Polish government for continuing repression of workers and the Solidarity union movement, supporting renewed efforts to bring the Nazi war criminal Joseph Mengele to justice, and endorsing the "MacBride principles" for combating employment discrimination in Northern Ireland.

### Staff reports

The council also received reports from Legislative Director Ray Denison, Economic Research Director Rudy Oswald and International Affairs Director Irving Brown.

The council's statement on the "jobs deficit" was accompanied by a background paper detailing the pattern of unemployment in the post-World War II years and its increasingly harsh impact on jobless workers. The specific recommendations set forth in the statement include:

- A permanent program of supplemental unemployment benefits providing up to 65 weeks of aid to the long-term jobless, with interim extension of the Federal Supplemental Compensation Program due to expire in March.
- A special program to provide jobless workers with health care protection, and mortgage and rent relief.
- Legislation to deal with the impact of plant closings on workers and communities.
- More and better education, training, retraining and upward-mobility programs for all workers, employed and unemployed.
- Improved job opportunities for all workers through enforcement of anti-discrimination laws, child care programs, sanctions against the hiring of undocumented workers, and strengthening of wage-hour laws.
- Shared efforts by federal, state and local governments to rebuild crumbling roads and highways, bridges, water and sewerage systems and other public facilities.
- Adoption of an effective industrial policy with labor and industry participation.
- Effective measures to contain and control health care costs.
- Congressional action to block the Reagan Administration's continuing efforts on behalf of big business to dismantle or weaken federal laws, agencies and regulations designed to benefit consumers, workers, the general public and the environment.
- Special farm credits to help farmers in their current crisis and longer-term programs to prevent the destruction of the family farm.
- Steps by the Federal Reserve Board to lower interest rates so as to encourage economic growth.

Calling for action on this wide range of concerns, the council pledged the AFL-CIO's "continuing support for policies and programs that will improve the health and diversity of the American economy and assure job opportunities and a rising standard of living for all Americans."

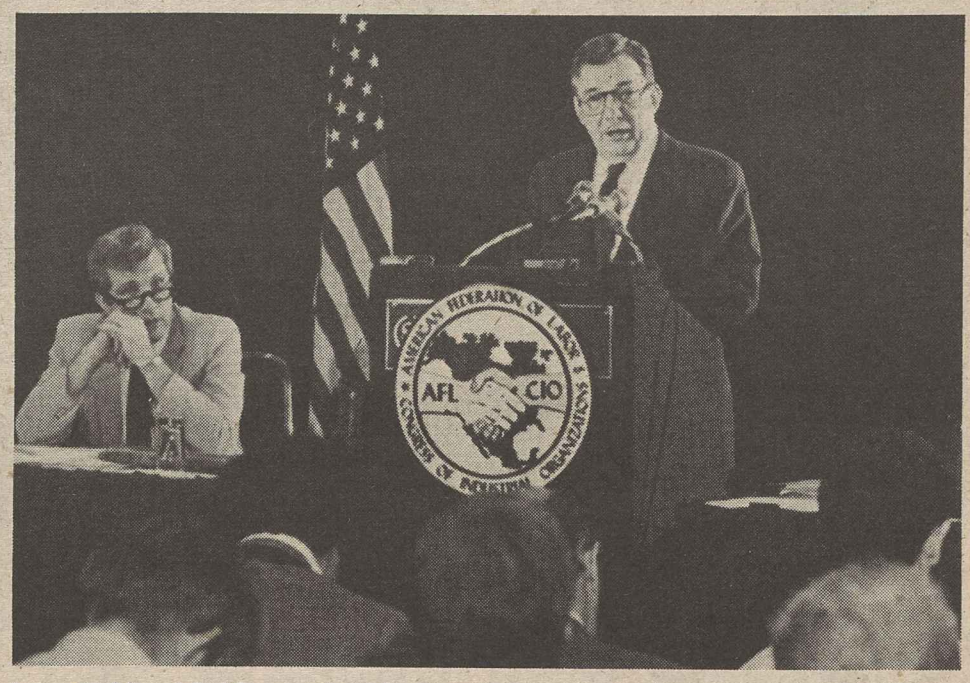
Labor's early participation in the 1984 election process drew a number of questions at Kirkland's opening-day news conference. Asked if the federation would take the same approach in the 1988 campaign, Kirkland pointed out that "the timing is dictated by the deadlines for the filing of delegate slates," which in the last election were as early as December 1983 for such key states as Illinois. If labor had allowed that deadline to pass and waited until, say, March 1984, it would have "missed the opportunity to participate in a very large number of states."

### Critical factor

Kirkland reported that in meeting with the council, Mondale reiterated his belief that a presidential candidate to succeed must gain some mastery over television and "acknowledged his own failings in grappling with the television medium."

But while labor likes winning, it would not have considered endorsing a more engaging TV personality, because "winning isn't really everything," Kirkland observed.

"It's more important to stand for something. If you don't stand for something, what do you win? I'm not interested in a candidate who's charming and appealing but is empty of principles or of positions that, in our view, reflect the hopes and aspirations of working people for a decent opportunity and for justice in this country."




Lane Kirkland fields questions from reporters.

Asked to evaluate Reagan's second term so far, Kirkland said the Administration has renewed the challenge of the first term on the central issue of the times—the appropriate role of the federal government in a modern society.

"It is quite clear," Kirkland said, "that this Administration believes that role should be confined pretty much to the raising of armies and to the coddling of commercial enterprise.

"Beyond that, it wants to dismantle the role of the federal government in our life. And it has created a remarkably efficient mechanism for doing that, through a combination of the deficit, their hard line against tax increases, and their insistence that one sector of public spending remain inviolate, and that's the defense budget. . . .

"Unless the debate is joined as to what are the important, beneficent functions of the federal government in a modern society, it will be allowed to continue unchecked."

As for the state of the labor movement today, Kirkland described it as "vigorous, in a fighting frame of mind, strongly committed to its principles, and to the objectives and goals that we've fought for, determined to carry on and to do our level best to advance those goals and objectives."



**Service award**

Metal Trades Dept. President Paul Burnsky presents plaque to George Francisco, center, retired president of the Firemen & Oilers for long service on the MTD executive council. Operating Engineers President J. C. Turner, a member of the council, is at left. President Angelo Fosco of the Laborers was elected a MTD vice president at the council's meeting in Bal Harbour, Fla.

# Domestic cutbacks shatter support for rise in defense

**Continued from Page 1**

Traditionally, Kirkland said, the AFL-CIO has felt obligated to take serious account of the judgment of responsible government officials on defense needs. But this Administration has "flunked the test" of demonstrating a need for the higher military spending it seeks by its approach to paying for the cost. It would put the burden "on the backs of future generations" or "onto the backs of the least privileged in our society."

And in response to a question about jobs that might be provided through a bigger military budget, Kirkland termed it "insulting to suggest that we make a judgment on defense spending as though it were a public works project. . . . The only excuse for spending money on weapons and tanks and planes is the security of the country."

### Burden to all

The council's budget statement noted that the revenue lost comes close to matching the projected federal deficit and that continued high unemployment "is a burden to the budget, as well as to the victims."

Its statement noted the AFL-CIO's strong opposition to Administration budget proposals for:

- Cutbacks in federal employment and training programs.
- Elimination of unemployment insurance for the long-term jobless.
- Deep cuts in federal aid to education, "especially the college tuition loans on which so many families rely."
- Elimination of revenue sharing, the Economic Development Administration and Amtrak, along with cutbacks in community, housing and mass transit programs.
- Cuts in Medicare, Medicaid and child nutrition programs.
- Pension and pay cuts for federal workers.
- Cuts in veterans programs and farm programs needed for the survival of family farms.

The council reiterated its opposition to many of the features of the Treasury's tax simplification package but endorsed the need for tax reforms.

It expressed a belief that to achieve its target of a $50-billion reduction in the budget deficit, "Congress will sooner or later be forced to face the necessity of recapturing lost federal revenues."

That should be done, the council urged, through an "equitable tax code in which all elements of society, especially corporations and the wealthy, bear an appropriate share of the cost of government."

# Unions swap pay for stock at Phillips

Some 3,000 union members employed by Phillips Petroleum Co. agreed to trade off wage hikes due them this month for company stock as part of a recapitalization plan the company is undergoing.

Under the plan, Phillips would distribute about 32 million shares to both union and non-union workers, who would own about 30 percent of the firm.

Of the company's 22,000 domestic employees, about 3,400 are represented by unions. Some 3,000 of these were scheduled for a wage increase of 35 cents an hour under an oil pattern agreement negotiated last year.

Several unions represent the Phillips employees. The largest units are the Operating Engineers, representing 1,100 workers at Borger, Tex., and the Oil, Chemical & Atomic Workers representing 500 in Pasadena, Tex. Smaller units are in Texas, Oklahoma, Utah, Arkansas and Kansas.

Non-union employees already have been subjected to a pay freeze.



AFL-CIO President Kirkland confers with Public Employee Dept. leaders, from left, Kenneth Blaylock, John Leyden, Al Bilik and Gerald McEntee.

# *Public Employee Dept. expands to bring in state-local membership*

Bal Harbour, Fla. — A special constitutional convention of the AFL-CIO Public Employee Dept. took steps to strengthen the department by restructuring it to embrace two equal and autonomous divisions.

The Feb. 16 convention also saw the official return of the State, County & Municipal Employees as a department affiliate, bringing the PED's combined membership to some three million federal, postal, state and local workers.

Under the constitutional changes adopted unanimously by the 120 delegates, one of the new divisions represents state and local government employees and the other federal and postal employees.

John Leyden, former overall PED director, was named executive director of the new Federal/Postal Division, and Al Bilik, formerly deputy executive director of AFSCME District 37 in New York, was chosen executive director of the State/Local Division.

Leyden has been with the department since 1981 and before that was president of the Air Traffic Controllers, an office he held for some 10 years. Bilik was organizing director of the Electronics Workers before taking the AFSCME District 37 post. He had previously spent 25 years in a variety of AFSCME staff positions. Earlier, he served as president of the Cincinnati AFL-CIO for six years.

Delegates also elected two additional PED officers: AFSCME President Gerald W. McEntee and Laborers President Angelo Fosco. They will serve as executive vice presidents, an office also held by Service Employees President John Sweeney and Letter Carriers President Vincent Sombrotto. President Kenneth T. Blaylock of the Government Employees continues to serve as department president and President Albert Shanker of the Teachers as secretary-treasurer.

AFL-CIO President Lane Kirkland, who was the keynote speaker for the convention, congratulated delegates on the successful completion of the reorganization. He stressed that a strengthened PED will be better able to fight four more years of attempts by the Reagan Administration to weaken government programs and services, as well as government employee unions at all levels.

### Will stand fast

Kirkland pledged that labor "will not abandon its principles, policies and programs" in the face of Reagan's attacks.

At a pre-convention meeting, the PED executive board denounced the Administration's attempt to use the Hatch Act to harass federal and postal union presidents, terming the move an assault on free speech. It called on all of organized labor to resist such intimidation tactics.

Among speakers at the board meeting were Rep. William H. Gray (D-Pa.), chairman of the House Budget Committee, and Rep. William Ford (D-Mich.), chairman of the House Post Office & Civil Service Committee.

# Seafarers gain towboat pact ending bitter 2-year dispute

New Orleans—A two-year strike that reached from the Louisiana docks to Wall Street's monied chambers has ended in victory for the Seafarers with the signing of a three-year agreement with Dixie Carriers.

The settlement provides for improvements in wages and working conditions for the 400 employees of the Houston-based towboat company. More important, it turned back what SIU President Frank Drozak called a deliberate attempt to split the membership and break the union.

Among several issues still to be resolved is the status of 80 captains, mates and pilots—licensed boatmen that the company contends are not protected by the National Labor Relations Act.

The company had recognized the right of the SIU to represent these workers for more than 40 years. But that position changed after the firm was taken over by Kirby Exploration, a conglomerate with few ties to the maritime industry.

The issue of the licensed boatmen is being pursued in the courts, and Drozak said the union "will show the same perseverance in protecting the rights of these workers as it did in protecting the rights of our unlicensed boatmen."

The strike was called two years ago when the new management maintained its hardline stance despite SIU's offer of a number of concessions that would have helped the firm achieve cost reductions.

In the course of the strike, the SIU brought picket lines to the American Stock Exchange in New York to publicize the company's cavalier treatment of its workers and to alert potential investors that profits were down during the dispute. This evoked memories of the SIU's early years when crowds of white-capped Seafarers supported their fellow workers during the Wall Street strike of the 1940s.

"I'm proud of the job that our guys in the Gulf did in getting this thing resolved," Drozak said.

"Our members supported the strike in every way they could," SIU Vice President Joe Sacco observed. "They did this by walking the picket lines and by getting support from other union members up and down the rivers and harbors."

The contract, which is retroactive to last Dec. 10, was negotiated by Sacco, New Orleans Port Agent Pat Pillsworth and SIU Gen. Counsel Louis Robein.

# AP Parts accord terminates strike by Auto Workers

Toledo, Ohio—The Auto Workers ratified a new three-year contract covering some 350 members employed by AP Parts here, ending a nine-month strike that had solid support from the American labor movement.

The company, which manufactures automobile tail pipes and mufflers, had sought deep wage reductions and other takeaways, most of which were resisted by union negotiators.

The pact, approved by a vote of 254 to 71, provides for an average hourly pay of $10.25. Workers had been earning an average of about $12. The contract will restore $1.70 in base rates and cost-of-living adjustments over the life of the agreement.

### Holds the line

The union also kept the firm from reducing pension benefits, maintained most of its insurance benefits, and kept virtually intact the vacation and holiday schedules while making minor concessions in work rules.

Members of UAW Local 14 struck the firm on May 4, 1984, after four months of fruitless negotiations during which AP Parts unilaterally imposed a cut in wages and benefits of about $6 an hour.

The new pact includes an amnesty provision calling for reinstatement of 21 workers who had been discharged during the strike.

Approval of the new agreement removes the company from the AFL-CIO's "Don't Buy" list.

The Union Label & Service Trades Dept. also announced that Liberty Glass Co. of Sapulpa, Okla., was taken off the federation's Unfair List after two locals of the Glass, Pottery & Plastics Workers were decertified, ending a bitter two-year strike.

Meanwhile, the Chemical Workers called off a boycott of the poultry products of Sandreson Farms of Laurel, Miss., after resolving its legal problems with the company.

Sanderson Farms had been on the AFL-CIO's Unfair List since 1982.

# Pressure on Poland urged in support of Solidarnosc

Bal Harbour, Fla. — The AFL-CIO condemned the Polish communist government's latest campaign of harassment of Solidarnosc leaders and activists, and called on free unions everywhere to urge their governments to apply pressure on Poland to engage in constructive talks with Solidarnosc.

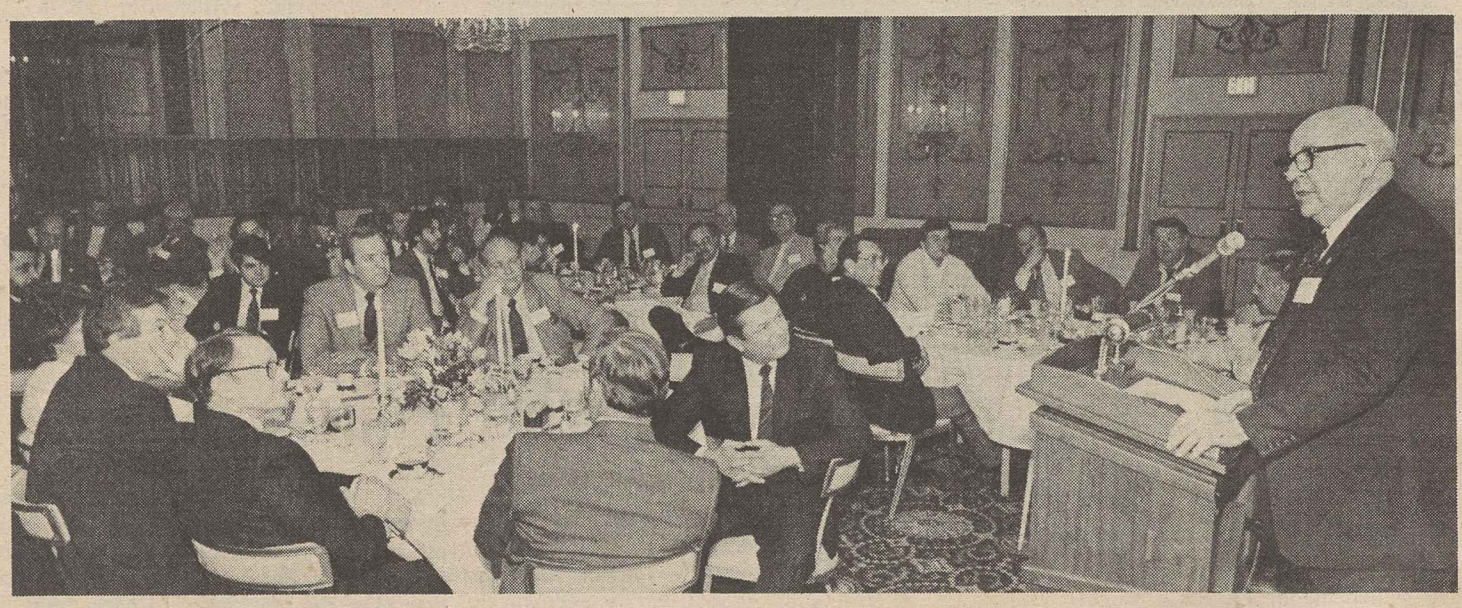
Seven Solidarnosc leaders were detained Feb. 13 after a police raid on a Gdansk apartment where they were meeting with Lech Walesa, former chairman of the outlawed union federation. Another Solidarnosc leader, Andrzej Gwiazda, has just been given an additional two-month prison sentence after already serving two months.

The federation's Executive Council noted that the arrests and continued detention of more than 70 Polish trade unionists follow in the wake of the brutal murder of Rev. Jerzy Popieluszko by Polish security forces because of his outspoken support of Solidarnosc.

"This campaign . . . belies the illusion that the Polish government has begun a policy of moderation which merits the lifting of the sanctions imposed by the United States," the council statement said.

Walesa has accused the Polish government, which withdrew from the International Labor Organization several months ago, of "hatred, repression and violation of human rights."

The council noted that the easing of U.S. economic sanctions by the Reagan Administration last year, including its decision not to block Poland's admission to the International Monetary Fund, has brought no amelioration of the Jaruzelski regime's repression of human rights, especially that of freedom of association.



# Tobacco conference

President John DeConcini of the Bakery, Confectionery & Tobacco Workers addresses the 100 participants at a two-day legislative conference for unions in the tobacco industry. The conference was sponsored by the AFL-CIO Food & Allied Service Trades Dept. Participating unions included the Machinists, Carpenters, Sheet Metal Workers, Electrical Workers, Paperworkers, Firemen & Oilers, and Retail, Wholesale & Dept. Store Union, as well as representatives of the Virginia, North Carolina and Georgia state labor federations.

# Conrail pacts restore parity for 15 unions

Fifteen of 17 railway unions representing Conrail employees signed new agreements restoring wage parity with the rest of the railroad industry.

The 12-percent increase in pay—about $1.50 an hour—is retroactive to last July 1 and covers more than 30,000 union members of Conrail in the Northeast and Midwest.

The unions agreed to the wage deferrals in May 1981. That agreement expired last June, but Conrail continued to pay its unionized workers 12 percent less than the rest of the industry.

Ten of the 15 separate but identical new contracts restoring the 12-percent cut were signed Feb. 14 in Miami Beach following the conclusion of the winter meeting of the Railway Labor Executives' Association, which represents the unions. Five others subsequently agreed to the pact at Conrail headquarters in Philadelphia.

"It's something we felt we should have had eight months earlier, but we're pleased to have it now," RLEA Chairman Ole M. Berge said. Berge is president of the Maintenance of Way Employes, one of the signatories to the agreement.

### Also signing

Other unions that have signed are the Railway & Airline Clerks, Electrical Workers, Railroad Signalmen, Transport Workers, Carmen, Firemen & Oilers, Train Dispatchers, Boilermakers, Machinists, Sheet Metal Workers, Longshoremen, Railway & Airways Supervisors, and the unaffiliated Teamsters and Locomotive Engineers.

Yet to sign are the United Transportation Union and the Yardmasters. They were expected to agree to the same terms.

First to sign was BRAC, representing the largest number of Conrail employees, about 8,800. BRAC President Richard Kilroy said the union's members should receive a lump-sum payment of about $2,300 under the agreement.

The agreement stipulates that the 12 percent in deferred wages will be added to base pay. Kilroy, who is RLEA secretary-treasurer, said that would amount to an increase of $1.54 an hour.

Conrail Chairman L. Stanley Crane said that management had wanted to restore the wage cuts earlier, and added:

"The financial condition is such that it can afford to take this important step in recognition of the sacrifices employees have made in the past."

"Now that Sec. of Transportation Elizabeth Dole has made a recommendation of a purchaser for Conrail," he said, "we believe it is time to recognize the employee sacrifices in a tangible fashion."

Dole recently announced her selection of the Norfolk Southern Corp., as preferred buyer of the 15,000-mile freight line. RLEA's choice was Alleghany Corp.




Maritime Trades Dept. convention calls for revitalization of the nation's merchant marine.

# *Maritime Trades warn deep crisis facing U.S.-flag merchant marine*

Bal Harbour, Fla. — The AFL-CIO Maritime Trades Dept. renewed its call for a federal program to revitalize the American merchant marine which the department said is facing "its worst crisis ever."

The MTD executive board charged that over the past four years the Reagan Administration has either wiped out or severely crippled programs that have sustained the U.S.-flag merchant fleet for the past half-century.

"America's commercial fleet continues to shrink at an alarming pace," the MTD board said in a statement adopted at its winter meeting here. The board pointed out that only about 395 privately owned commercial vessels out of a world fleet of more than 35,000 fly the American flag—only about one out of every 100. The board called on the Administration and Congress to:

- Assure the availability of cargo for American merchant ships by negotiating bilateral shipping agreements, enforcing existing cargo laws, and adopting the Code of Conduct for Liner Conferences drawn up by the United Nations Conference on Trade & Development (UNCTAD).
- Extend the Jones Act's protections for American coastal shipping to all maritime operations within 200 miles off the coast.
- Continue transfer of Navy supply and support ships to private sector operation.
- Strengthen U.S.-flag shipping on the Great Lakes and inland waterways.
- Transfer certain Coast Guard duties to the private sector.
- Expand American fishing and canning industries and implement programs to protect them from unfair competition.
- Use surplus funds from the maritime operating differential subsidy to finance merchant seamen's health care and support the shipment of American grain to the Soviet Union aboard U.S.-flag vessels.
- Develop a forward-looking oceans policy based on future marine technological innovations.

In an address to the MTD board, AFL-CIO President Lane Kirkland noted that the Reagan Administration, as part of its budget proposals, would further weaken the nation's shipping and shipbuilding capacity through subsidy cuts and "user fees" for channel markers and Coast Guard services.

Some of Reagan's other "high-priority" proposals, Kirkland noted, include:

- Higher military spending offset by more and deeper cuts in social programs.
- Cuts in all the programs designed to meet the problems of working people, the health needs of the elderly, the housing and health needs of the poor, the education and training hopes of the young, and to keep the health and housing guarantees made to veterans.
- Cuts in federal wage and pension programs "that will surely drive the ablest workers out of government service."

These are some of the issues now confronting Congress, Kirkland noted, "and our friends on the Hill will need all the support and ammunition we can provide to resist the temptation to let pressure, instead of justice, guide their votes."

Kirkland stressed that the labor movement would take its case not only to Congress, "but to the American people by whatever means are effective and available to us. And we will make sure that our members understand the issues and that we are clearly addressing their most vital concerns as working people."

The statement on maritime policy was one of more than two dozen adopted by the MTD board on issues of particular concern to the department and its affiliates.

In other action, the board received a report from MTD President Frank Drozak on the operations of the grassroots educational program established a year ago. Drozak noted that the program had succeeded in making the public and the press aware of the maritime industry's problems and had helped elect candidates who will work to solve those problems.

Speakers addressing the board, besides Kirkland, included House Speaker Thomas P. O'Neill; Rep. Mario Biaggi, chairman of the House Merchant Marine & Fisheries subcommittee; Rep. Joseph P. Addabbo, chairman of the House Defense Appropriations subcommittee; AFL-CIO Research Director Rudy Oswald; Legislative Director Ray Denison; COPE Director John Perkins and Organization & Field Services Director Alan Kistler.

# Hatch Act charges called attempt to curb free speech

Bal Harbour, Fla.—The Reagan Administration has stretched Hatch Act restrictions on political action by federal workers "far beyond all rational limits" in its threatened prosecution of the presidents of three AFL-CIO unions, the Executive Council charged.

The Hatch Act targets are Presidents Kenneth T. Blaylock of the Government Employees, Vincent R. Sombrotto of the Letter Carriers and Moe Biller of the Postal Workers. All are on long-term unpaid leave from the jobs they held before being elected to union office.

They are being prosecuted "for exercising their right of free speech on behalf of Walter F. Mondale rather than Ronald Reagan," the council charged.

### Bad policy

It noted the labor movement's longstanding opposition to the Hatch Act as "bad public policy" because citizens should be encouraged to participate in public affairs. But "the obvious intent of these prosecutions is not to protect the integrity of the public service, but to limit the right of the leaders of the largest unions in the federal sector to serve their members."

The council resolution pledged "total support" to the rights of federal and postal service unions to represent their members without being subjected to government reprisals.

"The Reagan Administration's misuse of the Hatch Act is merely the most recent example of its anti-union biases and its implacable hostility to the rights of unions and their members," the Executive Council asserted.

# Union, city ease pain of plant closing

Chicago—A toy factory is shutting down here and leaving its 450 workers in the lurch. But intervention by the Retail, Wholesale & Dept. Store Union, Mayor Harold Washington and city lawyers is helping soften the blow.

Last September, workers at Playskool, Inc., were told their factory would be closed by year's end and production operations shifted to plants in Massachusetts or New Jersey.

The decision by Playskool's parent corporation, Hasbro, came as a complete surprise to the union and city. Earlier in the year, Hasbro took over Playskool, which made G.I. Joe dolls, Lincoln Logs, Big Foot trucks, alphabet blocks and puzzles at the Chicago factory.

Nick Jones, president of the RWDSU Chicago Joint Board, said the union asked for help from the city and he lauded Mayor Washington's efforts.

In December, the city filed suit against Hasbro charging that the shutdown violated an agreement the firm made with the city in 1980 in which it received a $1 million industrial revenue bond to expand operations.

The city contended Hasbro and Playskool reneged on its promise to expand, and instead reduced production and then decided to cease operations entirely.

### Reach settlement

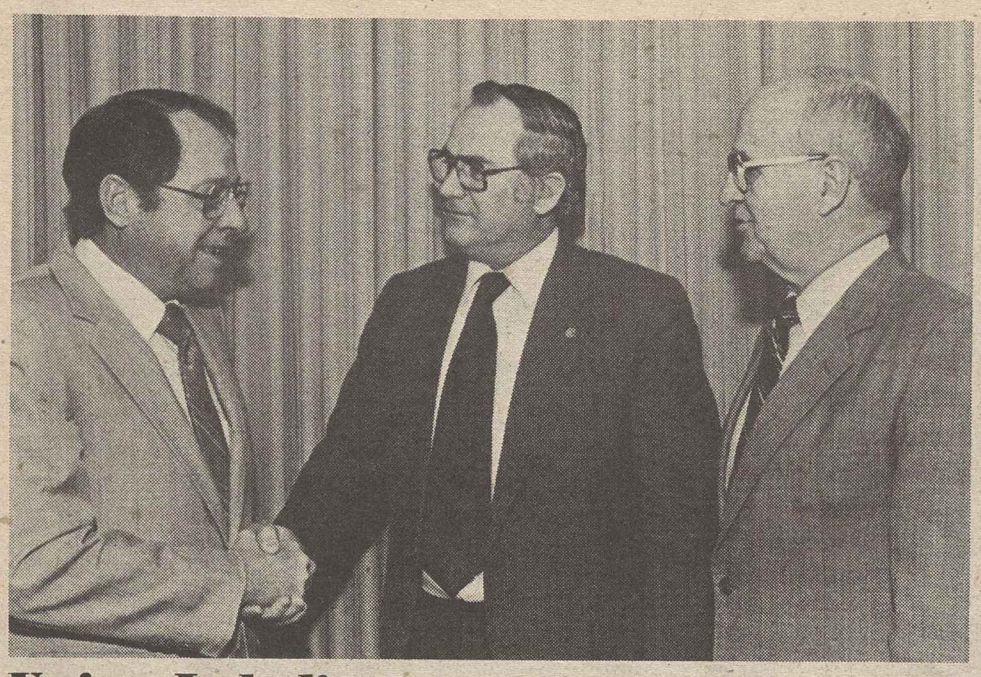
The city, in conjunction with the union, reached an out-of-court settlement that provides for the company to pay a bounty of $500 for each former Playskool employee who is hired by another company. Additionally, it is offering current employees $100 for each successful job they provide to the laid-off workers.

Under the agreement, Playskool will close down in November 1985. Until that time, it will continue to employ about 100 of the RWDSU members in its puzzle department. For laid-off workers experiencing financial difficulties, Hasbro has set up a $50,000 emergency fund to help pay utility, medical and other bills.

The union succeeded in negotiating severance benefits equal to 20 hours' pay for each year of service. Health insurance coverage was extended for three months past the date of layoff and vesting in the company pension plan was reduced from 10 years to just one year. For the workers over age 55, the union won fully paid life insurance policies and the option of getting health insurance at regular group rates, Jones said.

The 100 workers remaining on the job were brought under a recently negotiated union contract at a Playskool warehouse in Des Plaines, Ill. The result was a 5-percent pay increase.

Jones said the joint board will now press for plant closing legislation at the local, state or federal levels. "If we'd had two or three months more to work with the company, it would have made quite a difference," Jones said.



## Union Label's newest

Steelworkers Sec. Ed Ball, left, is greeted by President James E. Hatfield and Sec.-Treas. John E. Mara, right, of the Union Label & Service Trades Dept., as the newest member of the department's executive board. Ball was installed at the board's winter meeting in Bal Harbour.

# *Reagan budget ax cocked to annihilate Job Corps*

"The Job Corps is a success story" that has provided hope and training for some 2 million disadvantaged youths and it should not be killed by President Reagan's budget ax, the AFL-CIO said.

The need for the Job Corps is as critical now as it has ever been, and perhaps more so, Federation Economist Markley Roberts stressed, noting that one out of every five teenagers is unemployed and among black teens, two of every five are jobless. "Without a high school diploma and without a job, it's easy to fall in poverty or crime," he added.

Most Job Corps centers are operated by private business under competitive bids. But there are numerous other union-sponsored Job Corps programs run by the Auto Workers, Carpenters, Bricklayers, Painters, Plasterers & Cement Masons, Operating Engineers, Railway & Airline Clerks, the National Maritime Union and the AFL-CIO Appalachian Council.

The unions operating programs ran an ad in the Feb. 20 Wall Street Journal pointing out that the Job Corps "is a 20-year success story, is not a 'give away,' is not a make-work scam." The ad stressed that for every $1 invested in Job Corps, the national economy receives $1.45 the following year.

### Blind destruction

Roberts denounced the shortsightedness of the Administration's destructive attitude, noting that Job Corps programs quickly pay for themselves.

He cited a study by Mathematica, an independent research firm, showing that Job Corps graduates actually "make money for the government because the average repayment in taxes each year is at least 45 percent more than the investment in the Job Corps," with a total paycheck of the training costs within three years.

The Administration's reason for targeting the Job Corps for elimination is based primarily on cost. It contends that the cost runs $15,000 a year for each of the 80,000 trainees in more than 100 Job Corps programs around the country.

Roberts, however, charged that the Administration has grossly overstated the per pupil cost. According to Job Corps estimates, it is only about $8,000.

In its zeal to kill the program, the Administration is overlooking the alternative costs. The Job Corps trains the neediest of hard-core disadvantaged youth. The $8,000 training cost pales when compared to the $21,000 to $30,000 cost of keeping a criminal in jail, Roberts said.

The disadvantaged youth trained by the Job Corps are the hard-core unemployed young men and women between the ages 16 and 21, who are primarily high school dropouts with an average fifth-grade reading level. Many come from broken homes, Roberts noted.

At the Job Corps centers, where the trainees live for eight months while learning a useful trade, they get counseling and remedial education, learn good work habits and attitudes so they can make it in the real job market, Roberts said.

Many of the participants are refugees from Vietnam, Cuba and other nations, and like many other trainees, earn a high school equivalency diploma in addition to a marketable skill.

Labor's participation in the training of disadvantaged youth proves the value of cooperative efforts between labor, business and government to fight unemployment, Roberts said.

Proof of this program's success is that those coming out of the Job Corps will earn more and work more than similar young people who don't go into the program, Roberts noted, and they are less likely to commit a crime, be in jail or be drug users, and more likely to be taxpayers.

## James F. Kiley elected to Rhode Island fed post

Providence, R.I.—James F. Kiley was elected secretary-treasurer of the Rhode Island AFL-CIO by its executive board. He fills the vacancy created by the retirement of Edwin C. Brown last August.

Kiley, business manager of the Electrical Workers Local 2323 since 1971, has been a member of the state federation's executive council since 1973. His term of office runs until next Oct. 4, when the state AFL-CIO convenes.

## Commission on trade

# Rewards called spur to productivity gains

By James M. Shevis

An 18-month study by a presidential commission on ways to improve America's competitiveness in international trade calls on employers to strengthen worker incentives as a means of increasing productivity and improving quality.

"American management is urged to make use of the broad array of incentive mechanisms available to it to reward the effort of individual employees and to strengthen the linkage between pay and performance," the President's Commission on Industrial Competitiveness said in a recommendation.

The 30-member panel also called for legislative changes to make incentive stock options more useful.

President Howard D. Samuel of the AFL-CIO Industrial Union Dept., one of three panel members representing labor, said the commission's report contains more pluses than minuses in labor's view.

One of the big pluses was the panel's call for a revision of U.S. trade laws, which labor has recommended for years.

"Our domestic trade laws have not been responsive to the new realities of global competition," the study said.

### Fragmented policy

The nation's fragmented trade policy seriously limits its ability to respond to the growing volume and complexity of international trade, the panel observed.

"For those industries threatened by severe import penetration, U.S. trade law has often granted relief only after their injuries have become irreparable. . . . At the same time, U.S. trade remedies for 'unfair foreign government practices' have been unable to respond to our competitors' new national strategies," the study said.

A key recommendation calls for aid to displaced workers. Such assistance would include early notification of plant closings and incentives for employers to hire and retain workers.

Among the major problems facing the United States in its effort to remain competitive, the panel cited increasing trade deficits, a declining share of the high-technology market, and a declining rate of return on assets in manufacturing.

### House hearing

Rep. John J. LaFalce (D-N.Y.), chairman of the House Banking Subcommittee on Economic Stability, welcomed the commission's report and said he will study how the recommendations can be implemented legislatively. The subcommittee will review the report's findings at a Mar. 5 hearing.

IUD's Samuel, who co-chaired the panel's committee on human resources, said "the basic thrust" of the report is acceptable to labor but he had some concerns about recommendations to loosen various federal regulations.

Despite the heavy employer representation, no one on the panel "even suggested" holding down pay in order to improve competitiveness, Samuel noted at a news conference when the report was made public.

The commission concluded that maintaining a high standard of living is an essential element of national competitiveness, he said.

"The goal of improved competitiveness is to allow Americans to earn a better standard of living in a world economy that is increasingly interdependent and increasingly competitive," said John A. Young, president and chief executive officer of Hewlett-Packard Co., and chairman of the commission.

### Wage standstill

Young said it is "cause for concern" that real hourly wages in the business sector "have been virtually stagnant for the past 10 years."

The commission also called on employers and unions to foster mutual trust by sharing more information, and refusing to take advantage of the other party by exploiting weaknesses. It urged more tripartite dialogue among government, business and labor at every level of U.S. industry.

"Government should take the lead in highlighting the importance of competitiveness and should nurture an effective consensus-building dialogue among leaders in industry, labor, government and academia," the panel recommended.

Besides Samuel, labor members of the panel were Auto Workers Vice President Donald F. Ephlin and attorney Stephen Schlossberg.

Samuel said that while he would prefer to see adoption of a national industrial policy on trade none seems likely now.

Other key recommendations of the panel include:

- Creation of Cabinet-level departments of trade and of science and technology.
- Increased tax incentives for research and development.
- Re-examination of regulations that may hinder competitiveness.
- Modification of antitrust policy to allow more mergers and business combinations.

The commission expressed concern that U.S. productivity growth hasn't kept pace with that of the nation's major trading partners in the last 20 years. Japan's growth rate, for example, has been five times that of America's and its productivity now exceeds that of the United States in autos, steel and precision machinery.

The panel attributed the slowdown in productivity growth basically "to incentive systems that fail to reinforce the work ethic."

# Schedule of Labor Studies Center courses

The George Meany Center for Labor Studies will offer eight labor institutes and workshops during March and April. The schedule:

**Negotiating Techniques: Private Sector,** Mar. 3-8—A skills-sharpening session for experienced negotiators in simulated bargaining exercises before a video camera and federal mediators.

**Advanced Arbitration Techniques,** Mar. 17-22—For union representatives who present grievance arbitration cases, focusing on examination and cross-examination of witnesses, preparation of briefs and researching issues.

**TV: The Cool Medium,** Apr. 8-11—A three-day workshop to coach union leaders on working with TV reporters and video cameras.

**Negotiating for Pensions,** Apr. 8-12—A training session for union staff members on preparing for and bargaining for pension programs.

**Bargaining Issues for Union Women,** Apr. 14-19—A program open to men and women on vital women's issues in bargaining and on solutions and contract language.

**Advanced Organizing,** Apr. 15-25—A workshop co-sponsored by the AFL-CIO Dept. of Organizing & Field Services. Enrollees must be approved by that department.

**Computers for Local Unions,** Apr. 21-25—A briefing on the use of computers for local union officers who need some knowledge before buying equipment.

**Effective Union Action for Civil Rights,** Apr. 21-25—Annual conference of the AFL-CIO Dept. of Civil Rights for union civil rights and women's rights designees.

**The Changing Workplace,** Apr. 28-May 1—A focus on workplace changes including physical aspects, workers themselves and management strategies.

Five AFL-CIO affiliates will use the center during March for staff training sessions: State, County & Municipal Employees, Mar. 3-8; Communications Workers, Mar. 3-8; Railway & Airline Clerks, Mar. 10-15; Graphic Communications Union, Mar. 24-29; and Operating Engineers, Mar. 31-Apr. 4.

The American Institute for Free Labor Development has invited 40 union leaders from Latin America for classes on collective bargaining and trade unionism, Mar. 10-Apr. 12.

Information about these or other labor studies is available from Fred K. Hoehler, Jr., executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903; telephone 301/431-6400.

# EDITORIALS

## No Double Standard

THE AFL-CIO's longstanding support for a strong national defense has been too often reiterated, and is too well known, to require further affirmation. Indeed, when the Reagan Administration took office, with a call for substantial increases in defense spending, the AFL-CIO urged that, if such increases were deemed necessary by Congress, they should be financed by a surtax on corporate and individual income.

Moreover, the federation has steadfastly opposed so-called "transfer amendments" proposed by those who sought to increase spending on domestic social programs by cutting the defense budget. Social spending and defense spending, we have always contended, are driven by different considerations.

But the Administration has turned a deaf ear on our proposals. It has pushed for its own version of the "transfer amendment"—boosting defense spending at the expense of social programs. And it has insisted not on raising taxes to meet the military needs, but on cutting taxes, especially for the wealthy, thereby shifting a greater burden for defense on working Americans.

WE REPEATEDLY warned the Administration that such policies would undermine the consensus for substantial increases in defense spending.

The AFL-CIO remains committed to a strong defense. But we are equally committed to a strong economy and social justice at home. We will therefore not support increased defense spending at the expense of programs that are vital to our domestic welfare.

The Constitution mandates the federal government to "promote the general welfare" and "to provide for the common defense." In seeking to freeze or cut domestic programs while increasing defense spending, the President would pursue one fundamental responsibility of government by abandoning the other. He has foreclosed all options that would lead to a fair and equitable financing of our military needs.

Under the circumstances, the AFL-CIO is left with no choice but to insist that if vital domestic programs are to be cut or frozen, defense spending must also be frozen. We refuse to make a choice between the "general welfare" and "the common defense."

*—From a statement adopted by the AFL-CIO Executive Council, Feb. 19, 1985, Bal Harbour, Fla.*

## Opening the Gates

EVEN AS America's trade deficit increases a staggering $10 billion a month, the Administration signals an abandonment of the job-saving policy of negotiating limits on Japan's export of automobiles to the United States.

The damage to the economy would be immense, even if the Japanese choose not to risk a political backlash by immediately flooding a near-saturated American market. General Motors is just waiting for the gates to be lifted to put into effect its plan to import 300,000 cars to sell through its dealerships. Other major auto companies have said bluntly that they would have no choice but to follow suit.

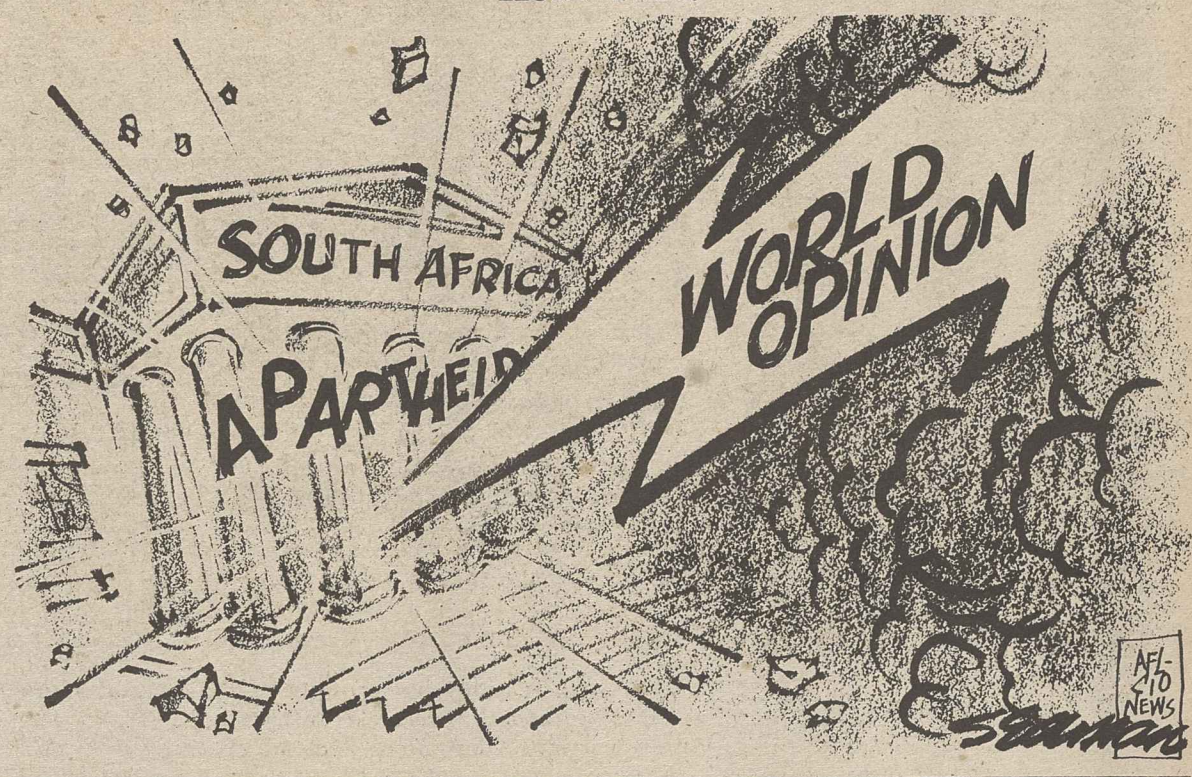
Ironically, the purpose of the import restraint agreements have been largely achieved in that U.S. carmakers have become more efficient, more productive. But competitive equality remains an elusive goal because of the overvaluation of the U.S. dollar.

To put it simply, the relationship between the dollar and the yen has changed over the past four years to the trade advantage of Japan and the disadvantage of the United States. U.S. goods sold in Japan cost 25 percent more as a result of the exchange rate. Japanese goods sold in the United States cost 25 percent less.

The AFL-CIO Executive Council was not exaggerating when it warned that "America's trade problems have reached crisis proportions."

Nor was it making polite small talk when it emphasized that "conserving American jobs and conserving American industries are political decisions for which members of Congress must be fully accountable, and the Administration must be held fully responsible."

**Hear This!**




**Washington Window**

# Corporate spending drops under Reagan tax breaks

**By Press Associates, Inc.**

With the start of the congressional debate over taxes and spending, it's a good time to examine those big "supply-side" corporate tax breaks that were supposed to unshackle private enterprise and spur an investment boom, with jobs for all.

Most of the Reagan "investment tax incentives" enacted in 1981 are still in place. These business tax breaks indeed have had their effects, one of them being to increase the federal budget deficit by tens of billions of dollars.

Unfortunately, they haven't achieved their advertised purpose for which they were sold to the public and Congress. In fact, a recent study actually shows a reverse relationship between the amount of tax breaks and how much companies invest in new plant and equipment. The 38-page study was done by the Citizens for Tax Justice, a coalition of citizens and labor groups.

### Study findings

The study, titled "The Failure of Corporate Tax Incentives: Three Years of Growing Loopholes and Lagging Investment," examines a sample of 238 major U.S. corporations and their annual reports to shareholders for 1981-1983. It found the following:

● The 238 companies surveyed paid an average 14.3 percent of their earnings in federal income taxes, far below the 46-percent statutory corporate tax rate. Yet, despite their nearly $90 billion in "tax incentives" in the 1981-83 period, these profitable firms reduced new investment by 15.5 percent.

● The corporations enjoying the largest tax advantages slashed their investment the most. The 58 firms that paid no taxes or received net tax rebates over the three-year period as a whole reduced capital investment by 19.3 percent. The 15 companies that paid zero taxes or less in any of the three years cut their investment most of all, by 29.6 percent.

● General Electric, which received more net tax rebates than any other U.S. corporation and got a $283-million refund from the Treasury, despite $6.5 billion in domestic profits over three years, reduced investment by 15 percent.

In sharp contrast, the 50 companies in the survey with the highest tax rates over the three years—those with the least incentive to invest according to supply-side theory—increased their capital investment by 4.3 percent. These firms paid over 33 percent of their profits in federal income taxes.

### Higher dividends

So what did the companies do with all those tax breaks? The same 238 firms which cut their investment by 15.5 percent increased their dividends to stockholders by 17 percent over the three years, the study found. It said they also used their tax bonanza to buy up other companies, partly explaining the record-breaking $209 billion in corporate acquisitions in the 1981-83 period. In addition, they raised executive salaries and bonuses and expanded cash reserves.

The study's authors said, "It's time to stop the waste. If the President and the Congress held our largest corporations to the same standard of accountability they apply to the poorest welfare recipient, no amount of corporate lobbying could prevent the repeal of the host of 'incentive' loopholes, which, based on the overwhelming evidence, don't work."

Restoring the corporate share of the tax burden, which over the past three decades has fallen from 25 percent to 8.5 percent of total revenues, would help reduce the deficit and blunt the Administration-led drive for more deep cuts in vital domestic programs.

In addition, as the study's authors put it, it would "help strengthen our economy by forcing our corporations to stop relying on lobbyists and loopholes to bolster profits and, instead, go back to making money the old fashioned way—by earning it."

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# Court restores wage-hour rule in public sector

Continued from Page 1

ren E. Burger and Justices Lewis F. Powell, Jr., and William H. Rehnquist—along with Sandra Day O'Connor, who was appointed to the court by President Reagan.

Rehnquist, who had written the National League of Cities opinion, bristled confidence that its states' rights doctrine will "in time again command the support of a majority of this court." The obvious reference was to the probability of further Reagan appointments in his second term. And Powell, writing the principal dissent, expressed concern at the overturning of what he termed "settled constitutional doctrine."

In fact, as union attorneys stressed, it was the 1976 court that had veered sharply from a long line of precedents.

As recently as 1968, after Congress first brought a group of public workers under the wage-hour law, states challenged the extension of coverage in a case known as Maryland vs. Wirtz. The Supreme Court, then headed by Chief Justice Earl Warren, ruled in a 6-2 opinion that the coverage was constitutional. The 1976 National League of Cities case, while based on later amendments by Congress which added 3.4 million public workers to the law's coverage, specifically overturned the Maryland vs. Wirtz precedent.

Initially, the San Antonio transit system case moved through the courts on the issue of interpretation of the National League of Cities doctrine.

Was a public transit system, which had once been privately owned, a "traditional" government function and thus exempt from compliance with the federal wage-hour law? Since transit workers are often required to work split shifts and variable hours, overtime pay requirements are of more than academic interest.

### Challenges rule

After the 1976 decision, the San Antonio Metropolitan Transit Authority had stopped complying with the federal wage-hour law and challenged a ruling by the Labor Dept. that it was still covered because operating a bus system is not a traditional function of government.

The case reached the Supreme Court, with union attorneys participating on behalf of workers directly affected. Since ATU member Joe G. Garcia's name was the first listed, the historic decision will go down in the law books as Garcia v. San Antonio Metropolitan Transit Authority.

AFL-CIO General Counsel Laurence Gold participated with ATU attorneys in the case and argued labor's position before the Supreme Court.

The first hearing by the Supreme Court in March 1984 focused on whether the Supreme Court's National League of Cities decision barred the Labor Dept. from enforcing federal overtime pay provisions for public transit employees.

But instead of deciding the case on that basis, the court asked the parties in the case to submit arguments on whether the 10th Amendment's state sovereignty doctrine as applied in the National League of Cities case should be reconsidered.

Labor's answer was a resounding "yes." The Transit Union brief responding to the inquiry cited precedents ranging from the earliest years of the nation. It found no basis for concluding that the authority the Constitution delegated to Congress to regulate commerce "is diminished because a state, rather than a private party, is engaged in the activity which constitutes commerce."

An oral argument before the Supreme Court on Oct. 1, 1984, produced a three-way division among the parties to the case.

The San Antonio transit system, represented by former Sec. of Transportation William T. Coleman, Jr., argued that public transit qualifies as a traditional government function and the power of Congress to regulate commerce is limited by the principle of "constitutional federalism."

U.S. Solicitor Gen. Rex Lee, arguing for the Labor Dept. position, found no fault with the National League of Cities decision. But he contended that public transit is a recent phenomenon, not a traditional government function.

Gold, presenting the union case, said transit employees are clearly subject to federal wage-hour standards under the National League of Cities decision. But he went on to urge strongly that the decision be overturned because the 1976 case was wrongly decided.

The framers of the Constitution "put their faith in the political system" to safeguard state sovereignty, Gold contended, and specifically rejected an amendment which would have prohibited federal interference in state matters.

### Labor's reaction

Officers of the Transit Union and other public-sector unions whose members are affected by the Supreme Court action voiced elation at the decision.

The Supreme Court turnabout bore out predictions made at the time of the 1976 decision that its reasoning would not stand the test of time.

One such comment, from the AFL-CIO Public Employee Dept., was that a future Supreme Court, "comprised of far wiser justices, will overturn this decision."

The provisions of the wage-hour law that the Supreme Court had previously invalidated were never repealed by Congress and presumably will now go back into effect.



## New board members

Distillery Workers Sec.-Treas. Vera Catalli, left, and President James L. Walker of the Firemen & Oilers, right, are welcomed to the Food & Allied Service Trades Dept. executive board. Other board members, from left, are FAST President Robert Harbrant, Service Employees Vice President Rosemary Trump and Sec.-Treas. Lenore Miller of the Retail, Wholesale & Dept. Store Union.

# FTC pressed to retain ban on deceptive food store ads

The temptation for retail food stores to "pull a fast one" on their competitors may be irrestible if the Federal Trade Commission rescinds its rule forbidding stores from advertising items they do not have in stock, the Food & Commercial Workers warned the FTC.

The FTC is contemplating a move to eliminate or soften its advertising rules for retail food stores, leaving it up to "market forces" to prevent unfair and deceptive practices.

In a letter to the commission, UFCW President William H. Wynn said the union firmly believes "that the rule provides basic and needed consumer protection."

Wynn stressed that the retail food industry is highly competitive and said there would be a real temptation for food stores to look for short-run gains. "The view that such tactics may hurt the food store in the long run, as suggested by the FTC study, is true." But store owners "sometimes choose short-run gains at the expense of long-term losses. Such calculations, or miscalculations would certainly harm consumers," he stressed.

Wynn said the FTC study does not prove that the cost of the advertising rules exceeds the benefits to consumers, nor that consumers believe the rules are worthless.

"We find some arguments of the FTC study to be less than convincing. We have no way of knowing whether the calculations on costs and benefits to consumers are appropriate or valid. No one except retail executives can have such data."

Wynn noted that if a few stores did engage in false advertising, the rest of the industry might follow suit to remain competitive and "the logical result would be far, far greater costs to consumers."

He acknowledged some problems with the current advertising rules, especially for stores required to overstock advertised items. He outlined what the UFCW sees as a more effective approach: allow stores to stock advertised items at the volume normally sold during a sale period, and to offer consumers a rain check or similar product when the stock of the advertised item runs out.

Wynn urged the FTC not to rescind the advertising rule, but to extend coverage to non-food retail stores, giving "an important protection to the consumer public."

# Lifting curb on Japan's cars seen threat to 200,000 jobs

Ending restraints on Japanese auto exports to the United States would throw 200,000 workers out of jobs and cause "irreparable damage" to the American economy, the UAW told Congress.

The union's testimony, before a House Subcommittee on Economic Stabilization, came as the White House was sending a strong signal that Japan will soon be free to ship an unlimited number of vehicles to the U.S. market.

In recent years, Japan has accepted what is termed a "voluntary restraint agreement" limiting its auto exports. In practice, however, this is a quota reached through government-to-government negotiation between the United States and Japan.

The current agreement expires Mar. 31, and a top-level Cabinet committee has recommended that President Reagan not ask Japan for any further limitation on auto exports.

Auto Workers President Owen Bieber termed the Cabinet proposal "an outrage" and called on Reagan to reject it.

Some $20 billion of the nation's $37 billion trade deficit with Japan comes from the auto sector, Bieber stressed at a news conference during the AFL-CIO Executive Council meeting in Florida.

### Ripple effect

He warned that if the restraint agreement isn't extended, the deficit will grow further and still more jobs will be sacrificed. "The job loss will ripple through the entire economy," Bieber said, "in steel, rubber, glass, textiles, electronics, robotics and all the other industries that supply auto production."

At the Capitol Hill hearings, UAW Governmental Affairs Director Don Stillman said abandonment of the Japanese export agreement would result in a million fewer small cars being manufactured in the United States.

General Motors has already announced plans to bring in some 300,000 small cars from Japan and Korea if export restraints are lifted, Stillman noted. Other U.S. car manufacturers will also turn to imports and abandon small car production in the United States, he warned.

Chrysler officials confirmed this, testifying that if auto imports are not restricted and the exchange rate of the dollar stays high, "we would have to follow General Motors and go to Asia."

Ford witnesses said restraints saved 100,000 auto industry jobs.

News accounts indicated that the Administration wanted to abandon quotas in a "non-election" year to minimize the political fallout. Larry Speakes, the White House press official, told reporters that there may not be any need for Reagan to make a formal decision on whether to accept the Cabinet recommendation to end restraints.

Keeping to the myth that the quotas are strictly voluntary, he suggested that it would be entirely up to Japan whether it wished to continue to restrain its auto exports to the United States.

### More competitive

At the House hearings, Stillman noted that the U.S. auto industry has become more competitive and more efficient—and that both the union and its members "have done their part" to achieve this.

But the progress has been rolled back by the "increasingly unfair" exchange rate between the dollar and the yen which makes Japanese goods cheaper in the United States and U.S. goods more costly in Japan.

"The yen has recently slipped to more than 250 to the dollar," Stillman noted. "That compares to roughly 200 yen per dollar in early 1981. Japanese cars reap a huge cost advantage from that 25 percent slippage," he stressed.

Both the restraint agreements and the possibility that Congress would enact the domestic content legislation sought by the U.S. labor movement have encouraged Japanese auto firms to set up production facilities in the United States. Without such pressure, the UAW warned, production will stay overseas.

# CWA supports low fees for basic phone service

No American should be denied telephone service because of low income or place of residence, Communications Workers President Glenn E. Watts stressed.

Watts expressed concern over studies showing that one in five older Americans have had to curtail phone usage because of higher costs resulting from the AT&T divestiture and price increases for local telephone service.

"For senior citizens, the unemployed and the handicapped, telephone service is a life-and-death matter," Watts said. CWA operators who handle emergency calls each day can testify to that, he noted.

While divestiture can't be undone, the concept of universal service should be reaffirmed and brought to reality, Watts said.

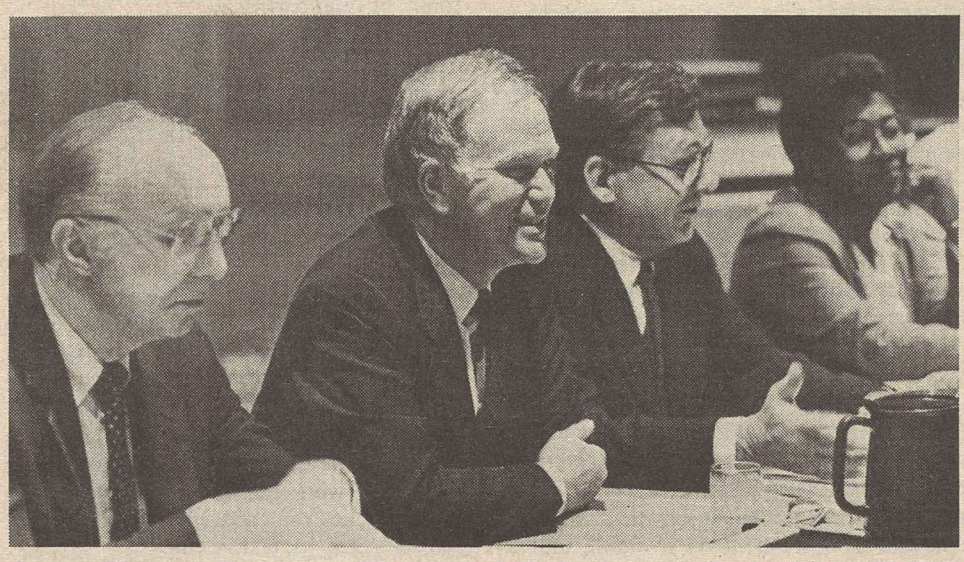
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**LEGISLATIVE ALERT!**

PAGE 8

# Council study seeks new paths for growth of labor movement



Senate Finance Committee Chairman Bob Packwood, flanked by AFL-CIO Sec.-Treas. Thomas R. Donahue, left, President Lane Kirkland and Vice President Barbara Hutchinson at the Executive Council meeting.

## *Cites continuing role as force for progress*

**By John M. Barry**

Bal Harbour, Fla.—A searching self-examination by the AFL-CIO has pinpointed problems created by a period of rapid change, outlined a program to overcome them, and found "the seeds for a resurgence of the labor movement."

A report by the Executive Council's Committee on the Evolution of Work said that although organized labor "has demonstrated a notable resiliency" and remains "a vital force for progress" in America, unions find themselves "behind the pace of change."

The committee report, "The Changing Situation of Workers and Their Unions," was issued during the council's winter meeting here. It sets forth a series of specific recommendations for renewed growth through innovative organizing strategies and techniques, new categories of membership, effective use of the media, stronger union structures, expanded services and other steps to improve traditional union programs.

But in the light of the situation confronting labor, the committee stressed that "it is not enough merely to search for more effective ways of doing what we have always done; we must expand our notion of what it is workers can do through their unions."

### Confident of resurgence

AFL-CIO President Lane Kirkland, describing the report at a news conference, said it "gives us confidence that our unions have the capacity to continue the never-ending process of renewal and regeneration. . . . All the data we have studied, as well as our own common sense, provide grounds for hope that a period of resurgence—of sustained growth—is within our grasp."

The report is the culmination of two and a half years of work by the committee, which is chaired by Sec.-Treas. Thomas R. Donahue. The panel includes 18 federation vice presidents and the operating heads of the eight constitutional departments. In the course of its meetings since 1982 it received reports from a number of experts. It also reviewed surveys taken over the last 25 years on the public attitude toward unions and supplemented this material with additional surveys.

Kirkland stressed that the committee will remain in being to study points raised in its discussions but not incorporated in its report. He said it will conduct a continuing review of responses to the report from Executive Council members and other trade unionists.

The committee found no cause for "doom and despair" regarding the future of the labor movement. It cited earlier predictions of the demise of unions when labor suffered setbacks in the 1920s and '30s, which were followed by periods of remarkable growth for the trade union movement.

The data the committee studied, it said, provide grounds for hope as well as con-

**Continued on Page 2**

## Federal service unions battle pay, pension cuts

Federal and postal union leaders accused the Reagan Administration of launching a vendetta against the career civil service and called on Congress to reject proposals for slashing pay, pensions and health insurance coverage.

The union testimony drew a strong assent from Rep. Mary Rose Oakar (D-Ohio) and other members of her Post Office & Civil Service subcommittee on employee compensation.

She assailed the Administration proposals as "neither necessary, fair, nor in the public interest."

Government Employees President Kenneth T. Blaylock urged Congress either to reject the Administration's takeaway proposals or give federal workers "full trade union rights" so they can protect themselves. Only postal workers can bargain over wages and both federal and postal employees are covered by the same congressionally enacted civil service retirement system.

The Administration case was argued before the House panel by Office of Personnel Management Director Donald J. Devine, the leadoff witness. Devine described the proposal to reduce benefits for both present and future retirees as a "reform" in an "entitlement program."

Federal workers must be overpaid because their quit rate is less than most private-sector jobs, he claimed. And the answer to rising health insurance costs, Devine contended, is to substitute a voucher system that would induce workers to shop around for the cheapest program they can find.

This is what some of the union witnesses had to say in rebuttal:

- Postal Workers President Moe Biller said the Administration proposals would sabotage the collective bargaining and arbitration system Congress set up for the postal service.

Even if postal pay were not immediately affected, Biller said, unilateral reductions of retirement and health benefits would "undermine" a contract signed just six weeks ago after "months of negotiations, fact-finding and arbitration." Retirees have already given up some $5,000 in pension cost-of-living adjustments since 1977 and have done "their fair share and more" to reduce the federal deficit.

- Letter Carriers Legislative Director

**Continued on Page 6**

## 'Satellites' added to schedules for regional meetings

The AFL-CIO's officers will be covering more ground and meeting more trade unionists during this year's regional conferences.

President Lane Kirkland, in a letter announcing the schedule of seven 1985 conferences, said each will be supplemented by six "satellite" meetings. On the second day of the two-day regional conferences, he and Sec.-Treas. Thomas R. Donahue each will separately participate in three meetings at central bodies in other cities ranging across several states while the main conference continues.

For example, during the first conference, set for Mar. 22-23 at Portland, Ore.,

**Continued on Page 3**

### Commitment to elderly

## Social security compact defended

Bal Harbour, Fla. — The AFL-CIO asked Congress to keep faith with elderly and disabled Americans by rejecting proposals to freeze social security payments in order to make the federal deficit appear smaller.

"In no way" does social security add to the budget deficit, the Executive Council stressed. It brings in more revenue from the payroll tax on workers and employers than it pays out in benefits.

The council noted that 1985 marks the 50th anniversary year of the Social Security Act and the 20th anniversary of enactment of Medicare—which is now the chief source of health care protection for some 30 million persons.

These programs represent commitments dating back to Franklin D. Roosevelt's presidency, the council noted.

The statement on social security was one of a series adopted in the final sessions of the council's winter meeting here on domestic and international affairs and trade union issues. Stories on these actions appear elsewhere in this issue.

### Retaining dignity

The council pointed out that social security's first goal was to enable workers to retain "dignity and self-reliance" after they reach retirement age. With later changes in the law, that commitment now includes income protection for widows and surviving children and for disabled workers of all ages and their dependents.

To keep the social security system solvent, Congress in 1983 adopted the recommendations of a bipartisan commission. Beneficiaries, who took some sacrifices to keep the program solvent, including a six-month postponement of their cost-of-living adjustments, were assured at the time that the system was now sound and no further cuts would be required of them.

"It would be a breach of faith to force the elderly to make new sacrifices" for reasons that have nothing to do with the needs of the social security system, the AFL-CIO insisted.

The council statement also attacked Administration proposals to force the elderly to pay a larger share of their health care costs and to freeze payments to hospitals and physicians treating Medicare patients.

Working Americans as well as those eligible for Medicare would be hurt by some of the Administration's proposals,

**Continued on Page 3**

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# Study explores new course for labor



Sec.-Treas. Thomas R. Donahue presents the report of the Executive Council's Committee on the Evolution of Work, which he chaired.

**Continued from Page 1**

cern "and, indeed, suggest the seeds for a resurgence of the labor movement."

It pointed to such survey findings as:

- Union enrollment in growing numbers of "the types of workers who are forming an increasingly larger share of the workforce."
- Workers who choose to form a union continue to be well-served by and are generally satisfied with their union.
- Non-union workers recognize the effectiveness of concerted action in securing workplace democracy and gaining redress for grievances.
- Experience both in Canada and in the public sector in the United States demonstrates that "the current generation of workers, when given a fair chance to form a union at their workplace, elect to do so in large numbers."

The committee's report details the problems posed by the enormously rapid growth of the labor force in recent years, particularly in economic sectors and areas of the country which in the past have not been highly organized. It points out that this rapid growth is creating new patterns of part-time and temporary employment that make it more difficult for workers to form unions without fear of employer reprisal.

The failure of federal labor laws to protect workers who exercise their right to organize is also noted.

"The norm is that unions now face employers who are bent on avoiding unionization at all costs and who are left largely free to do so by a law that has proven to be impotent and a Labor Board that is inert," the report observes.

### Workplace revolution

It also points out that the United States and other nations are undergoing a scientific, technological and economic revolution "every bit as significant as the industrial revolution" of the 19th Century. Jobs are being eliminated, changed and created by technological advances, the statement notes, and workers paid subsistence wages in underdeveloped countries are producing "the most sophisticated goods, and even services" for the more developed nations.

Recommendations for dealing with these trends, the committee said, are based on the fundamental premises "that the labor movement exists to advance the interests of workers as workers see their interests, and that to continue to perform their role, unions must come to grips with the current and changed realities workers face."

The report stresses that labor's aims—decent wages and conditions, workplace democracy, a full voice for workers in the society, and the more equitable sharing of the nation's wealth—remain unchanged. It added:

"The means of securing those aims, while grounded in experience, must meet today's needs and anticipate tomorrow's aspirations."

The committee offered these recommendations, among others, that it believes "worthy of examination":

- Unions should experiment with new approaches to representing workers, tailored to the needs and concerns of different groups and providing "far greater flexibility in the workplace and greater reliance on mediation and arbitration."
- Unions should address new issues of concern to workers, such as pay equity and greater participation by all workers in decisions on the "how, why and wherefore" of their work.
- Consideration of new categories of membership for such groups as union supporters in non-union shops and workers who gave up their union membership when they changed jobs.
- A study by the AFL-CIO of proposals to provide direct services and benefits to workers outside of a collective bargaining structure.
- Expanded use of the electronic media to overcome misconceptions about unions and make the public aware of their contributions in the workplace and in society at large.
- The use of "corporate" campaigns to neutralize employer interference in the efforts of workers to form unions, such as the tactics that proved effective against the J.P. Stevens textile chain.
- A pilot project by the AFL-CIO using experimental organizing committees along the lines of those that proved effective in earlier periods of union growth.
- Steps to heighten and expand the participation of members in the affairs of their unions as well as more opportunities for members and national union leaders to interact with each other.
- Expanded programs of leadership training for union officers, stewards and rank-and-file members and orientation programs for new members.
- Improved labor communications efforts, including training of spokespersons in media techniques and a pilot project to test the usefulness of advertising to improve the public's understanding of labor.
- A renewed emphasis on organizing and an increase in resources devoted to organizing; careful selection and training of organizers; greater use of modern communications technology in organizing; careful selection of organizing targets; experimentation with new organizing techniques, and greater involvement of union leaders and rank-and-file members in organizing.
- Encouragement of mergers among smaller unions to better serve their members and the development by the AFL-CIO of guidelines to facilitate mergers.

## *Restoration of enforcement tops safety, health agenda*

Bal Harbour, Fla.—The AFL-CIO reaffirmed its commitment to secure health and safety protections in all American workplaces and repair the damage resulting from the Reagan Administration's repudiation of federal responsibility to workers.

The Executive Council outlined a "progressive national safety and health agenda for the 1980s," including action to:

- Restore the integrity and secure full enforcement of the Occupational Safety & Health Act and the Mine Safety & Health Act.
- Secure state and federal laws guaranteeing strong, comprehensive right-to-know protections for workers and the public.
- Seek laws and regulations necessary to protect workers and communities from chemical spills and emissions to ensure that tragedies such as Bhopal never occur in the United States.
- Press for federal legislation to compensate victims of occupational disease and to provide for notification and treatment of workers who risk incurring such diseases.
- Encourage negotiation of contract language to improve safety and health standards, establish research and training programs, and expand union participation in safety projects.
- Persuade Congress to strengthen environmental programs scheduled for reauthorization. Such actions should include improvements in chemical testing, in access to information under the Toxic Substances Control Act, in requirements under the Superfund law to protect the public and workers involved in hazardous waste cleanup, and in provisions under the Federal Insecticide, Fungicide & Rodenticide Act.

The council's statement noted the "slow but steady progress" made in the first decade after passage of the 1970 job safety law, but charged that "OSHA's life-saving efforts were halted by the Reagan Administration."

Hazards in the workplace are "widespread and growing," the council warned, but for four years the Reagan Administration "has done virtually nothing to alleviate them." As a result of this inaction, some 10,000 workers die each year of asbestos-related cancers, and hundreds of thousands more continue to be exposed to asbestos.

### A rising threat

The Administration's claims that it is protecting workers and that its programs are working "are demolished by recent government reports that injuries are increasing in agriculture, construction, communications, retail trade and many manufacturing industries."

The council cited OSHA's failures to act effectively on toxic solvents and gases to which millions of workers are routinely exposed on the job, resulting in brain damage, nervous system disorders and certain forms of cancer.

To overcome the Administration's inaction, the labor movement is doing more at the bargaining table and in legislatures, the council stressed. It noted that many unions now have contract language on health and safety standards, training programs, and wide participation of union representation in jobsite activities.

But workers not protected by a union contract are often left defenseless, the council observed. Thus, to aid all workers, labor has formed coalitions with organizations that share its health and safety goals. The results of this effort include the passage in 19 states and numerous communities of right-to-know laws covering chemical hazards.

## Council scores Soviets on Sakharov detention

Bal Harbour, Fla. — The AFL-CIO pledged to keep world attention riveted on the Soviet Union's reprisals against human rights advocate Andrei Sakharov and his wife Yelena Bonner.

The Sakharovs have been exiled to the remote village of Gorky in an attempt to silence them for the past five years. Sakharov is not allowed to see western journalists to ascertain the state of his health, and rumors persist that he may have been subjected to mind-altering drugs.

"That the Soviet government should treat in this manner a world-renowned scientist and humanitarian erases any doubt as to how it would treat an ordinary citizen who sought to exercise the rights which the Soviet Union has pledged to guarantee in the Helsinki Accords," the Executive Council said.

## Cutback seen signal to private sector

Bal Harbour, Fla.—The Reagan Administration's assault on federal employees sends a signal to private-sector employers "that the pay and benefits of all working people are open to attack," the AFL-CIO Executive Council warned.

The council protested the pay, pension and benefit reductions proposed by the White House and called for "full collective bargaining rights" to divorce the setting of federal wages and working conditions from partisan politics. The federal government should be a model employer, the council statement urged.

Instead, it noted, when inflation was high, federal workers were told they must set an example and take a smaller pay raise. At the start of the Reagan recession, the message was that the money wasn't available for the raise they deserved, the council said.

In the midst of a supposed recovery, the council said, the Administration's message is "we must cut your pay."

## Evolution of Work Committee listed

Bal Harbour, Fla.—Members of the AFL-CIO Executive Council's Committee on the Evolution of Work, which prepared the report titled "The Changing Situation of Workers and Their Unions," are:

AFL-CIO Sec.-Treas. Thomas R. Donahue, chairman.

Kenneth T. Blaylock, president, Government Employees.

Kenneth J. Brown, president, Graphic Communications International Union.

William H. Bywater, president, Electronic Workers.

Patrick J. Campbell, president, Carpenters.

Frank Drozak, president, Seafarers.

Murray H. Finley, president, Clothing & Textile Workers.

Barbara Hutchinson, vice president, Government Employees.

John T. Joyce, president, Bricklayers.

Richard I. Kilroy, president, Railway & Airline Clerks.

Gerald W. McEntee, president, State, County & Municipal Employees.

Charles H. Pillard, president, Electrical Workers.

John J. Sweeney, president, Service Employees.

Albert Shanker, president, American Federation of Teachers.

J. C. Turner, president, Operating Engineers.

Glenn E. Watts, president, Communications Workers.

Lynn R. Williams, president, Steelworkers.

William W. Winpisinger, president, Machinists.

William H. Wynn, president, Food & Commercial Workers.

Paul J. Burnsky, president, Metal Trades Dept.

Robert A. Georgine, president, Building & Construction Trades Dept.

Jack Golodner, director, Dept. for Professional Employees.

Robert F. Harbrant, president, Food & Allied Service Trades Dept.

Jean F. Ingrao, executive secretary-treasurer, Maritime Trades Dept.

John F. Leyden, executive director, Public Employee Dept.

John E. Mara, secretary-treasurer, Union Label & Service Trades Dept.

Howard D. Samuel, president, Industrial Union Dept.

## Legislative action needed

# Cost rise, benefit cuts threat to health care

Bal Harbour, Fla. — The AFL-CIO called for voluntary efforts and cost-containment legislation at the state and federal levels to keep down the rising cost of health care.

It stressed that the only way to assure all Americans access to affordable quality health care is through enactment of a comprehensive, universal national health care program.

"Until that goal is won, we will do everything in our power to resist erosion of benefits, control costs, and improve health services for all Americans," the Executive Council said in a statement.

Health coverage built up over the last three decades has been badly eroded, the council observed, noting that 35-million Americans today have no health insurance whatever.

And since 1982, the percentage of private health insurance plans with deductibles of $150 or more has risen from 9 to 38 percent, the council said.

Attempts to place cost controls on public programs such as Medicare have been ineffective and unfair, it pointed out. Congressional action two years ago requiring hospitals participating in Medicare to accept payment on a prospective basis failed to stop health cost inflation.

"Hospitals increased billing to private benefit plans to make up the lost revenue, and used the new law to eliminate jobs and hold down wages of hospital workers," the council said.

For these reasons, the AFL-CIO is urging Congress to enact a comprehensive national health care cost-containment program patterned after a proposal formulated by Sen. Edward Kennedy (D-Mass.) and Rep. Richard Gephardt (D-Mo.).

The Kennedy-Gephardt bill would provide incentives to states to develop their own cost-containment programs within federal guidelines. It also would remove incentives in the current reimbursement system to reduce costs through layoffs or reduction to part-time status of hospital workers.

The council urged state legislatures to follow the lead of New York, Florida and Massachusetts by including in cost-containment laws provisions to help finance health care for persons not protected by insurance.

It also called for state legislation to reduce the rate of increase in hospital capital expenditures, and to require health care providers to transmit information on costs and use of services to state agencies.

"Mandatory disclosure of such information is required to permit consumers to compare relative costs and quality of care and to identify efficient and cost-effective health care providers," the council said.

### Need to know

"The growing trend toward profit-making health care chains makes it all the more essential that consumers have the information they need to monitor and evaluate the effects of this trend on access to services and quality of care."

The council urged affiliates and central bodies to take part in national, state and local health care coalitions.

In the face of employer pressures to cut out health care benefits and coverage, the union contract is proving an indispensable defense, the council noted.

"Benefit cuts successfully resisted in organized bargaining units are being imposed on workers who lack the protection of union contracts," the council said.

Unions are working to develop programs to improve the administration of health care plans to encourage cost-effective utilization of services, and reduce overall costs without reducing benefits, it observed. Some are working through joint labor-management committees, others are advancing their own initiatives at the bargaining table.

For the past three years, the AFL-CIO has participated in a national coalition on health care, composed of labor, business, insurers, and providers under the coordination of former Labor Sec. John Dunlop. One of the coalition's highest priorities has been to relieve the plight of jobless workers whose health care protection has been taken away.

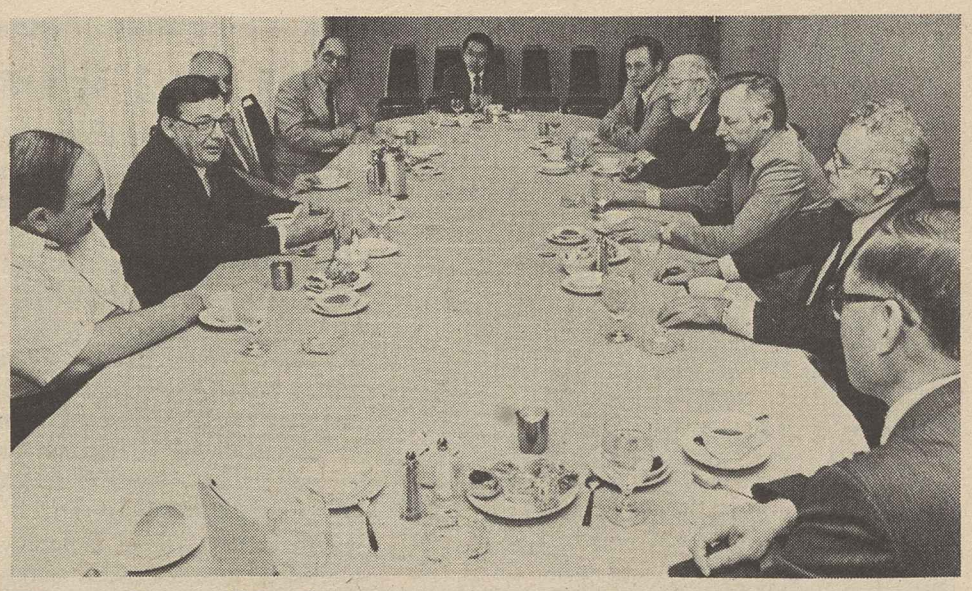
## South Korea warned on harassment of Kim

Bal Harbour, Fla.—The AFL-CIO called on the South Korean government to end its harassment of Kim Dae Jung, the democratic opposition leader who recently returned to South Korea following two years' exile in the United States.

In last month's elections, South Korean opposition parties scored significant and surprising gains, the Executive Council noted in a statement.

"If the South Korean government responds by further curtailing the political activities of its critics, and particularly of Kim, it will exacerbate domestic conflict and suffer a loss of prestige in world opinion," the council observed.

It urged the U.S. government to make clear to Gen. Chun Doo Hwan's regime that the American people attach great importance to Kim's fate and to democratic politics in South Korea.



## Foreign diplomats

AFL-CIO President Lane Kirkland confers with labor officials of foreign embassies during the Executive Council's winter meeting. He briefed the visitors on the federation's policy positions on international matters.

# Kirkland, Donahue to expand regional meeting schedules

**Continued from Page 1**

while participants are engaged in workshops led by federation staff members, Kirkland and Donahue will travel to other cities in the region on Saturday, March 23, for meetings and discussions with union members.

In his letter inviting participation in the conference, Kirkland noted that they will provide "another opportunity for a free and open exchange of ideas" among the officers of the federation, its state and local central bodies, representatives of affiliated unions and other trade unionists.

The purpose of the satellite meetings, he said, is to give local union members who do not have the opportunity to attend the regional conference a chance to express their views.

Kirkland said conferences in previous years had proved invaluable, and the ideas they produced had stimulated the development of new and productive programs for the labor movement.

The general format will be the same for all of the conferences. Each will open with a plenary session at 5 p.m., with Kirkland and Donahue taking part. This will be followed by a reception and at 9 p.m. by a program of the Labor Institute of Public Affairs. The second day will be devoted to five workshops on major issues confronting workers and their unions. The conference will conclude with a plenary session at 4 p.m.

The schedule is:

Mar. 22-23, Portland, Ore., to include Alaska, California, Hawaii, Nevada, Oregon and Washington.

Apr. 28-29, Providence, R.I,. to include Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont and Pennsylvania.

May 3-4, Salt Lake City, Utah, to include Arizona, Colorado, Idaho, Montana, New Mexico, North Dakota, South Dakota, Utah and Wyoming.

May 17-18, Cherry Hill, N.J., to include Delaware, Maryland, District of Columbia, New Jersey, New York and Virginia.

May 31-June 1, Indianapolis, to include Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin.

June 7-8, Nashville, Tenn., to include Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee and West Virginia.

July 13-14, Tulsa, Okla., to include Arkansas, Kansas, Louisiana, Missouri, Nebraska, Oklahoma and Texas.

## Social workers cited for dedicated service

Bal Harbour, Fla. — The Executive Council urged AFL-CIO affiliates to join in recognizing the contributions of professional social workers during March in observing National Social Workers Month.

The federation expressed its support for "the work of professional social workers in helping Americans achieve lives of dignity and purpose."

The council cited the "vital service" provided to millions of workers and their families in helping them to confront problems that cause illness, family strife and marital discord.

# *Council attacks call for social security freeze*

**Continued from Page 1**

the Executive Council noted. One such example is a proposed one-year freeze on payments to participating physicians and hospitals.

Such a freeze threatens to jeopardize the entire Medicare program, the council warned.

It would disrupt the prospective payment system introduced just two years ago to control Medicare expenditures. Further, the council maintained, "middle-class Americans would also be hurt as providers try to shift costs to private insurance plans."

Still another byproduct might be refusal of doctors to accept Medicare patients.

Instead of this "arbitrary and capricious approach to Medicare cost containment," the AFL-CIO urged, Congress should pass the legislation introduced by Sen. Edward M. Kennedy (D-Mass.) and Rep. Richard A. Gephardt (D-Mo.) to encourage states to enact across-the-board health care cost-containment legislation applying to both public and private sectors.

Such legislation is "a necessary first step" toward the goal of comprehensive, universal national health care for all Americans, the AFL-CIO said.

The council promised the federation's continued cooperation with allies such as the National Council of Senior Citizens, the Committee on National Health Insurance and the Save Our Security coalition.

### The job ahead

Labor's efforts will be to build continued support for social security and Medicare and to "resist every proposal" to weaken the programs or diminish their protection.

Other council actions were highlighted by the report of the Committee on the Evolution of Work, presented by its chairman, Sec.-Treas. Thomas R. Donahue. **(Story, Page 1.)**

Donahue also gave reports on the operations of the Internal Disputes Plan and on the federation's finances.

The council approved the designation of the late Rep. Carl Perkins (D-Ky.) to receive this year's Murray-Green-Meany Award. The recommendation was part of the report of the Community Services Committee presented by Vice President Alvin Heaps.

Other committee reports were given by Vice Presidents Charles H. Pillard on housing, Sol C. Chaikin on social security, J. C. Turner on occupational safety and health, Wayne E. Glenn on state and local central bodies, William H. Wynn on restrictive legislation, William W. Winpisinger on retirees, and Frederick O'Neal on civil rights.

Reports also were given by Vice President Murray H. Finley on the plans of the Martin Luther King Holiday Commission on which he serves, and by Vice President Patrick J. Campbell in support of efforts to establish a major diabetes research center at the University of Miami.

A new ad hoc committee on health care was appointed by Kirkland, with Vice President John J. Sweeney as chairman.

The council approved grants covering the budgets of the American Institute for Free Labor Development, the Asian-American Free Labor Institute, the African-American Labor Center, and the following support groups: A. Philip Randolph Institute, Coalition of Labor Union Women, Concerned Seniors for Better Government, Frontlash, Labor Council for Latin American Advancement, and the National Council of Senior Citizens.

### Support given

Contributions were voted to No Greater Love, National Council of Negro Women, National Urban League, Consumer Federation of America, Coalition to Protect Social Security, The New Leader, Council on Economic Education, Southern Regional Conference, Conference on Economic Progress, Leadership Conference on Civil Rights, National Urban Coalition, Fund for an Open Society, Consumer Energy Council of America, Full Employment Action Council, Center for National Policy, Workers Defense League, National Academy of Sciences, National Parks Foundation, National Catholic Conference for Interracial Justice, Religion & Labor Conference, Samuel Gompers Papers, National Low-Income Housing Coalition, National Housing Conference.

The next meeting of the council will be held May 7-9 in Washington.

# Council asks continuation of Job Corps

Bal Harbour, Fla.—Congress should reject the Reagan Administration's "ill-conceived proposal" to eliminate the Job Corps, the Executive Council said.

Expressing its support for the Job Corps "because it works—and so do its graduates," the council called the Reagan proposed shutdown of the program "bad economics as well as bad social policy."

The statement pointed out that Job Corps programs operated by AFL-CIO affiliates "have proven to be well worth the effort. Today, thousands of union members are Job Corps graduates employed as painters, plasterers, cement masons, carpenters, bricklayers, operating engineers, clerks, cooks and auto mechanics."

For each dollar that was invested in these young Job Corps members, the U.S. Treasury receives back $1.45 the following year. "The Job Corps earns money for the federal government. Eliminating it will increase the federal deficit, not produce a savings," the statement said.

### Youth joblessness

To contemplate destroying "one of the most successful youth programs" when unemployment for those ages 16 to 21 is 18.9 percent and for black youth is 42.1 percent is "disgraceful."

Today's youth represent the nation's future and ignoring the plight of the millions of youngsters who are "undereducated, unskilled and disadvantaged" will hurt the country, the council warned. "Unless we help them, many of these young men and women will haunt future generations as welfare burdens, criminals and members of a separate underground society."

It was recognition of this problem that prompted the federation affiliates to "join" the Job Corps at its inception more than two decades ago, the council stressed.

# Latin Council president elected to full-time post

Henry L. Lacayo, director of the Auto Workers National Community Action Program, will assume the full-time presidency of the Labor Council for Latin American Advancement on Apr. 1.

Lacayo, who is currently the LCLAA president, has been granted a leave of absence by the UAW to devote more time to LCLAA, the national Hispanic organization engaged in non-partisan political education and voter registration.

Prior to serving as the UAW national CAP director, Lacayo was administrative assistant to then-UAW President Leonard Woodcock, and assistant regional organizing director. He joined the UAW staff in 1972 after serving nine years as president of UAW Local 887 in Los Angeles.

# Honoring Perkins

**Bal Harbour, Fla.—Carl D. Perkins, the congressional champion of America's "have-nots" until his death last August, will be remembered by the AFL-CIO with this year's Murray-Green-Meany Award for humanitarian service.**

**The selection of Perkins was recommended by the AFL-CIO Community Services Committee and approved by the federation's Executive Council.**

**The Kentucky Democrat headed the House Education & Labor Committee for 17 of the 35 years he served in Congress, representing a rural and coal mining district. Community Services Committee Chairman Alvin E. Heaps noted his championship of such causes as child nutrition and school lunches, housing developments for older Americans and quality education for all children.**

**The award, which includes a medallion and a $5,000 grant, will be presented to the Perkins family at a dinner during the 1985 Community Services Conference to be held in Boston in June. The annual award memorializes William Green, Philip Murray and George Meany, who headed the AFL, the CIO and the merged federation.**

# Monetary Fund's conditions termed burden on workers

Bal Harbour, Fla. — The International Monetary Fund drew sharp criticism from the Executive Council for the hardships imposed on workers in countries that borrow from it, and are required to adhere to "economic conditionality" terms as a condition of the loan.

"Workers in debtor countries have borne the brunt of the hardship engendered by the IMF economic conditionality programs," the council charged.

"In many cases, they have been required to take direct wage cuts, in other cases, cost-of-living adjustments have been restricted or even prohibited."

The IMF was formed toward the end of World War II at a conference of the Allied Powers at Bretton Woods, N.H., that sought to restore global financial stability. Its primary goals are to promote monetary cooperation, currency stabilization, and expansion of international trade among the 148 countries that compromise its current membership.

To boost exports and reduce imports, the IMF often requires debtor countries to devalue their currency, resulting in increased domestic inflation and a reduction in real wages, the council observed.

### Program adjustments

The IMF should encourage governments that it assists to make their adjustment programs more politically tolerable and effective in combating inflation and providing more revenue for repayment of public debt by a variety of means, the council urged.

To encourage economic growth, it said, wage cuts and excessive devaluation of the currency should be avoided.

"It is not possible to achieve such a balance and such growth as long as workers' wages are held to a small fraction of the selling price of goods and services. Nor can equity be achieved in the absence of a democracy in which free unions can bargain for the workers," it stressed.

Among its recommendations, the council urged the IMF to encourage debtor countries to improve their tax structures to make them more equitable. "Equally or more important, tax enforcement and tax collections should be improved," it said.

### Trade balance

To promote a better balance of international trade and sustained growth, the IMF should explore methods of correcting trade imbalances with nations that have trade surpluses, the council urged.

It said the IMF should encourage major trading nations to get together and align currency values so as to guard against huge trade imbalances and worldwide recession.



# Political strategies

Administrative committee of COPE, including AFL-CIO Executive Council members and political action officials of affiliated unions, takes an early look at the 1986 congressional elections when control of the Senate will be at stake. Of the 34 seats to be filled then, 22 are held by Republicans and 12 by Democrats.

# Future needs emphasized in energy policy

Bal Harbour, Fla. — The AFL-CIO renewed its call for a national energy policy to protect national security, improve productivity, enhance the quality of life and assure an adequate long-range energy supply in the future.

The Executive Council stressed in a statement that such a policy must recognize the importance of conservation, research and development of alternatives to oil and natural gas, and the environmentally safe use of coal, nuclear and other energy supplies.

Specific recommendations called for:

- Maintenance of a strong research, development and demonstration program for energy sources, including renewable sources such as solar energy as alternatives to oil and natural gas.
- Support for conservation programs, including the weatherization of low-income homes, schools, hospitals, and other state and local government buildings.
- Filling the nation's strategic petroleum reserve to meet the goal of one billion barrels in a reasonable time frame.
- Rejection by Congress of proposals to export Alaskan oil.
- Streamlining of the licensing procedure for nuclear power plants to end unnecessary delays in the siting and construction of nuclear plants while maintaining safety and environmental standards.
- Extension of the Price-Anderson Act insurance program for nuclear power plants beyond its current expiration date of August 1987. The program provides compensation to the public in the event of a nuclear power plant accident.
- The removal of unnecessary obstacles to the export of nuclear power plant components and fuel in conformance with the national non-proliferation policy.

# *Montana legislature rejects constitution convention call*

A labor-opposed campaign to force the convening of a national constitutional convention to draw up a balanced budget amendment stalled in Montana but remains a threat in other states.

Montana's politically split House of Representatives rejected a "con-con" resolution, 55-45. All 50 Democrats and five Republicans voted against it.

An AFL-CIO Executive Council statement reiterated the labor movement's strong opposition to both the concept of a constitutional convention and the attempt to inject a dubious economic doctrine into the framework of American government.

Constitutional amendments are normally adopted by a two-thirds vote of the House and Senate, followed by ratification by three-fourths of the states. But the Constitution also allows an alternative method, which has never been used, of bypassing Congress and initiating a constitutional amendment at a convention convened at the request of two-thirds of the states.

Thirty-two of the required 34 states have called for such a convention, mostly in resolutions passed in the 1970s when the drive launched by a conservative "taxpayers" group wasn't taken very seriously.

### Drive blunted

Since concerned groups, including the AFL-CIO, turned a spotlight on the amendment drive, only a few states have been added to the convention call list. No new con-con resolutions were adopted last year. But neither did any state rescind a previously adopted resolution, as the AFL-CIO has urged.

In Montana, State AFL-CIO Executive Sec. James W. Murry said the vote in the legislature reflected the reciprocal benefits that labor's coalition-building emphasis has brought.

The statement adopted by the AFL-CIO Executive Council warned that a balanced budget constitutional amendment would force the nation "into an economic straitjacket."

The council warned that a rigid constitutional requirement would make it likely that recessions would worsen into depressions and subordinate the role of Congress to the monetary policy of the Federal Reserve or the interpretations of the courts.

Further, the Executive Council warned, the procedure proposed by the state resolutions raise the threat of "a runaway convention opening up the entire U.S. Constitution to any issue, no matter how extreme."

## Bypassed in recovery

# Labor asks safety net for long-term jobless

Unions looked to Congress to preserve a safety net for long-unemployed workers who have been bypassed in the nation's spotty economic recovery.

A House Ways & Means subcommittee is considering labor-backed legislation to extend the federal supplemental compensation (FSC) program beyond Mar. 31, its scheduled expiration date. FSC, launched in 1982, provides from eight to 14 weeks of federal benefits for persons still jobless after their state-provided payments have run out.

The Reagan Administration is adamantly opposed to extending FSC, and it will be an uphill fight to keep the federal program alive. If Congress doesn't act, more than 300,000 workers will have their benefit payments cut off at the end of this month.

AFL-CIO Associate Legislative Director Robert McGlotten reminded the panel that economic recovery is still "invisible" in many parts of the country. FSC is for practical purposes the only compensation program left for tne long-term unemployed, since the state-federal program of 13 weeks of extended benefits now functions only in the most severe recessions.

### Changes needed

McGlotten outlined the AFL-CIO's proposals for permanent improvement in the unemployment compensation system and urged that any "trigger" mechanisms to kick in a program be based on a state's actual unemployment rate, not the limited insured rate.

"The time to act is now," McGlotten urged, "and not when we are in the midst of another recession."

In other testimony at the House hearings:

● Steelworkers Vice President Leon Lynch sharply challenged Administration claims that extending the duration of benefits merely prolongs the length of unemployment.

With many steel mills closed, recovery in other segments of the economy isn't strong enough to provide the needed jobs, he said. He cited an average of 171 unemployed workers competing for each new job opening in Youngstown, Ohio, and 96 in Gary, Ind.

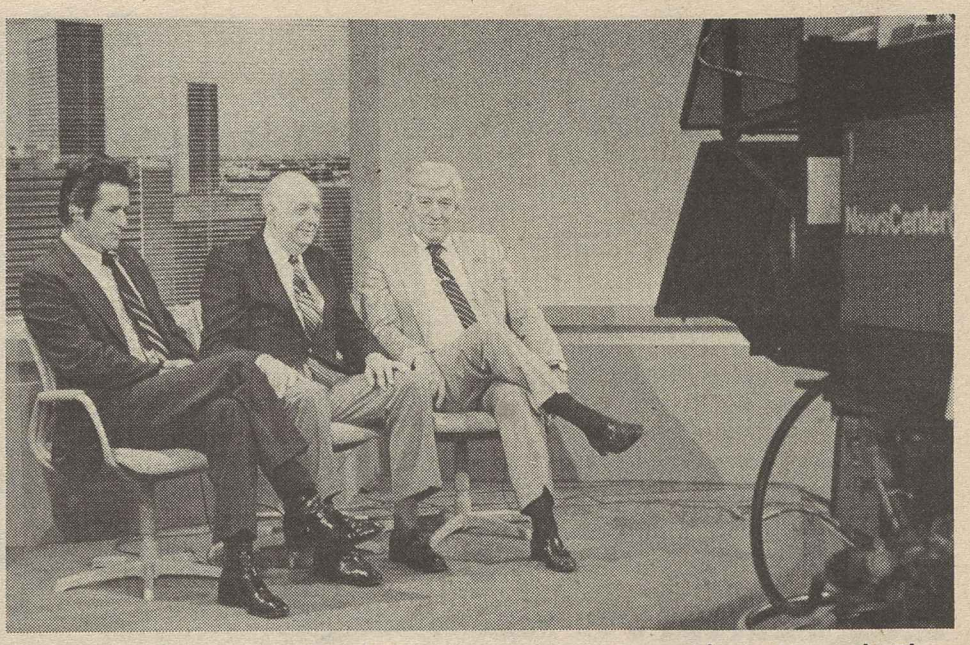
From his office in Pittsburgh, Lynch can see an idled steel mill that once employed 6,000 workers. And in nearby Duquesne, site of another closed mill, "one can see people picking through garbage for scraps."

● Auto Workers Legislative Director Dick Warden told the panel that two-thirds of UAW members who were victims of plant closings in the independent auto parts supplier industry are still out of work, with the average length of joblessness more than 18 months. Many had used up all their savings and were without health insurance.

Warden noted that last year only 34 percent of unemployed Americans received any jobless benefits.

● The Rev. Charles V. Bergstrom, a Lutheran church official testifying for the Full Employment Action Council, noted that the current unemployment rate of over 7 percent would have been considered "intolerable" not many years ago. "The nation's threshold of economic pain seems to have crept tragically upward," he said.

A new study by the council put "real unemployment" during 1984 at 13.6 percent, counting discouraged workers and persons who could only find part-time work. It termed the recovery claim "an illusion."



TV camera focuses on Hatch Act targets, union presidents Kenneth Blaylock, Moe Biller and Vincent Sombrotto on NBC network's Today Show.

# Kirkland denounces misuse of Hatch Act against unions

AFL-CIO President Lane Kirkland expressed labor's outrage at the Administration's prosecution of leaders of three federal-sector unions on Hatch Act charges and pledged the federation's support in challenging "misuse" of the law.

Charges of the violations—based largely on election endorsements of Walter Mondale's presidential candidacy—were brought against Presidents Kenneth T. Blaylock of the Government Employees, Vincent R. Sombrotto of the Letter Carriers and Moe Biller of the Postal Workers. The charges were filed by the special counsel of the government's Merit Systems Protection Board after the three union presidents had rejected his ultimatum to resign their government employment status in order to avoid prosecution.

All three are on unpaid leave of absence from federal or postal jobs while serving in union office, retaining retirement rights and the right to reclaim their former jobs. The government contends they continue to be subject to the Hatch Act ban on political activity by government workers despite their leave-without-pay status.

The Hatch Act was intended to protect federal and postal workers from political pressure from their supervisors, Kirkland noted. The prosecution of the union leaders turns the intent of the law "upside down," he said and stretches it "beyond all rational limits."

Kirkland charged that the "obvious intent" of the prosecutions is to limit the right of union leaders in the federal sector to serve their members.

### Will contest

The three union leaders, interviewed on the NBC network's Today Show, made clear that they will resist the charges in any administrative or court proceedings, and will continue to exercise their responsibilities to speak out on issues affecting their members.

"I don't think any of the three of us look at this as a personal attack on us," Biller said. "It's an attack on the men and women we're privileged to represent."

Sombrotto termed the prosecutions an attempt "to muzzle free speech."

Blaylock said the "kangaroo court process" appeared designed "to protect the policymakers from the workers" rather than protect workers from political pressures.

# *OSHA rebuffed on illegal firing*

The Occupational Safety & Health Administration illegally fired its Denver regional admistrator in September 1982, an administrative law judge for the Merit Systems Protection Board ruled.

ALJ Edward J. Reidy ordered OSHA to reinstate Curtis A. Foster and awarded him "back pay and other benefits" that could total more than $150,000.

Foster was dismissed after declining a forced transfer to a lower paying job in Washington. OSHA claimed its action centered on Foster's improper hiring of four construction inspectors in 1979 and misuse of travel funds.

In a sworn deposition filed as part of his appeal, Foster said his troubles began after two porcelain plants owned by the Adolph Coors Co. were removed by his superiors from a priority health inspection list in November 1981.

The Coors family has contributed heavily to conservative causes and has close links with Reagan Administration officials.

After one of the Coors plants was inadvertently visited by an OSHA inspector without a court warrant in early 1982, Foster testified, then-OSHA Director Thorne G. Auchter reprimanded him and stressed that the Coors family was "influential." OSHA later dismissed citations for 10 serious and two willful violations of safety rules found in the inspection and cancelled $12,600 in fines.

Testimony at the hearings indicated that Auchter and an aide had met with Coors executives before acting against Foster.

The administrative law judge, however, said there was insufficient evidence to support a finding of partisan political consideration or political pressure was the cause of Foster's demotion.

As for the stated reason for demoting Foster, Judge Reidy found that OSHA had no valid grounds for disciplinary action.

Foster violated no law or regulation, acted with good intent and in the agency's best interests in arranging for the hiring and training of qualified construction safety specialists and probably saved the government money through some red-tape cutting procedures that were the grounds for this demotion.

In a telephone interview, Foster said the decision vindicated his actions as regional OSHA administrator. He acknowledged that the Coors link was difficult to prove, but there certainly were "an awful lot of coincidences" involving Coors and his dismissal.




## Focus on Congress

Machinists President William Winpisinger opens the IAM's annual legislative conference in the nation's capital. The two-day meeting included mock congressional hearings conducted by delegates on pressing issues affecting IAM members, including foreign trade, tax justice and the economy.

## Machinists re-elect Winpisinger, Glover

President William W. Winpisinger and Sec.-Treas. Eugene Glover of the Machinists have been re-elected without opposition to new four-year terms in a union-wide referendum. Also elected were eight incumbent vice presidents and one new vice president.

The incoming vice president is James Malott of IAM Local 990 in Kansas City. Malott, an international representative for the past four years, will succeed Stanley Jensen, who is retiring. The new terms of office begin July 1.

## Union role urged in alcohol education

Bal Harbour, Fla.—Union and community programs to deal with alcohol abuse were urged by the AFL-CIO, rather than advertising restrictions "that fail to address fundamental problems."

An Executive Council statement reiterated labor's concern with the devastation caused by alcoholism in family life, in the workplace and on the highways.

It directed the AFL-CIO Dept. of Community Services to continue to work with affiliates and other concerned organizations to:

● Encourage on-the-job programs for treatment and prevention of alcohol abuse.

● Promote development of community treatment and rehabilitation facilities.

● Educate union members and their families about alcohol abuse.

● Train union counselors to offer guidance and referral to persons with alcohol-related problems.

● Join with communities in sponsoring institutes on alcoholism.

Studies have shown that advertising "has little or no impact" on alcohol abuse, the statement noted. It called for rejection of proposals to abolish radio and television advertising of alcoholic beverages or require "counter-advertising."



## Legislative message

Auto Workers President Owen Bieber keynotes the UAW's Community Action Program (CAP) conference in Washington with a call for a labor-Democratic Party program keyed to jobs, prosperity, growth, opportunity and fairness. The union's annual legislative conference in Washington included workshops for the 1,000 delegates addressed by members of Congress. Bieber renewed the call for quotas on Japanese imports to save U.S. jobs.

# *Buyers urged to demand grapes with UFW's label*

Bal Harbour, Fla. — The Executive Council endorsed a national campaign urging consumers to look for the Farm Workers label before buying table grapes.

The campaign, coordinated by the Union Label & Service Trades Dept., would be carried out through state and local central labor bodies, the labor press, and other means.

The campaign is in support of UFW efforts to underscore appalling work conditions in non-union California vineyards and fields and to generate support for decent collectively bargained wages and conditions. The UFW recently launched a boycott of non-union grapes.

In a statement, the council also condemned the union-busting and illegal activities of those California growers who refuse to recognize the legal rights of their employees to vote for a union and bargain collectively for fair wages and decent working conditions.

The council deplored the failure of Gov. George Deukmejian to enforce the state's 1975 Agricultural Labor Relations Act, charging that the increase in employer disregard of the law is directly traceable to this lack of enforcement.

Under his administration, the council said, newly appointed members of the Agricultural Labor Relations Board have reversed longstanding policy decisions handed down by previous boards.

Enforcement has been curtailed, the ALRB's budget has been gutted and staff levels sharply cut, and many services that helped farm workers to exercise their rights under the law have been discontinued, the council observed.

In addition, organizing among farm workers and attempts to hold fair and proper representation elections have been hampered by threats, intimidation, and in some cases violence against union supporters.

Thousands of UFW members still are owed back pay from judgments against employers in cases decided by the ALRB. Meanwhile, employers are refusing to recognize the UFW as the legally certified bargaining agent for thousands of union members in the vineyards and fields, and they are refusing to negotiate contracts.

Some 36,000 UFW members who have voted for representation by the union have been unable to negotiate contracts with California vineyards and farms, the council said.

## Frontlash role stressed in Youth Year activities

Bal Harbour, Fla. — The Executive Council called on affiliates to cooperate with the federation's Frontlash organization in International Youth Year (IYY) activities.

The United Nations and the U.S. government designated 1985 as IYY to stimulate public discussion of the right of young people to participate in the decision-making processes of society.

The council statement underscored the sharp contrast between the Reagan Administration's actions and its words. While declaring its support for the IYY's special focus on youth, the Administration has proposed a subminimum wage for younger workers, the elimination of the Job Corps training programs for disadvantaged youth and ending financial aid for hundreds of thousands of middle-class college students.

The council urged cooperation with Frontlash in nominating young trade unionists to represent them in the IYY conferences and forums, plus development of educational programs focusing on the problems of young workers.

# Paperworkers, OCAW draft proposal for merger action

Bal Harbour, Fla. — The executive boards of the Paperworkers and the Oil, Chemical & Atomic Workers have approved a merger document, and conventions of the two unions will vote on its acceptance later this year.

The announcement, made during the AFL-CIO Executive Council meeting here, came after the OCAW board voted to approve the agreement. The Paperworkers board had approved it earlier last month.

It will take a two-thirds vote of approval by the OCAW convention delegates to pass a merger resolution at the union's convention in Denver in August.

If the OCAW delegates adopt the document, the Paperworkers will vote at a special convention in St. Louis in December. The effective date of the proposed merger would be next Jan. 1.

The merged union would be called the United Paper, Energy & Chemical Workers International Union and be headquartered in the Paperworkers building in Nashville, Tenn.

The new union would have a membership of 285,000 and would be headed by Paperworkers President Wayne E. Glenn. UPIU Sec.-Treas., John Defee would remain in the same post in the new union. OCAW President Joseph M. Misbrener would become the senior executive vice president and OCAW Sec.-Treas. Michael Ricigliano the executive vice president, according to Gordon Brehm, executive assistant to Glenn.

Merger talks between the two unions were stepped up last July, but much of the preliminary work had already been covered in earlier discussions in 1981.

# Real wages drop as consumer costs continue to rise

Workers' "real" earnings declined eight-tenths of 1 percent in January, after climbing six-tenths of 1 percent a month earlier.

It was the largest over-the-month slide since last October, the Bureau of Labor Statistics reported, and resulted from a four-tenths of 1 percent decrease in average hourly earnings and a three-tenths of 1 percent drop in average weekly hours.

Earnings were dampened further by a two-tenths of 1 percent rise in consumer prices as measured by the government's two consumer price indexes—CPI-U and CPI-W.

Over the year, real average weekly earnings were down a full percentage point. BLS reported production and nonsupervisory workers in January averaged weekly earnings of $171.57 in 1977 dollars, down $1.75 from the January 1984 level.

With its release of January data on consumer prices, BLS introduced a revised CPI-W using a "rental equivalence" housing component like the one in CPI-U. The old series of CPI-W, which calculates homeownership on an asset basis, will be discontinued in July.

In the January CPI-W, as revised, food prices rose two-tenths of 1 percent.

Shelter costs, consisting almost entirely of rents and rental equivalence, were up three-tenths of 1 percent in January and 1 percent over the year. Utilities and public services rose six-tenths of 1 percent, and new car prices and public transportation costs were up four-tenths of 1 percent.

# Unions battle assaults on civil service

**Continued from Page 1**

George Gould reminded the panel that "real people" would be the victims of the Administration budget proposals:

"It is a retired letter carrier with 34 years of service, like Joe Bucciero of St. Petersburg, Fla., whose COLA would be cut.

"It is the future of active carrier Chris Slocum, a mother of three small children, of Yakima, Wash., who is endangered if the retirement contract is broken.

"And it is the health care benefits of active letter carrier and father of five, Dan Rupp of Cleveland, whose benefits would be drastically reduced."

● Legislative Counsel Ed Murphy, testifying for a Service Employees affiliate, the National Association of Government Employees, said the Administration has "thrown down the gauntlet to federal workers" by demanding that they shoulder a big share of the deficit reduction burden on top of past rounds of sacrifices.

He charged that "political expediency" was the motivation for the budget's "unprecedented and destructive cuts in federal pay and benefits."

### Earned benefits

Blaylock, who is president of the Public Employee Dept. and an AFL-CIO vice president as well as president of the AFGE, stressed that the benefits the Administration wants to cut back were "earned" by federal workers.

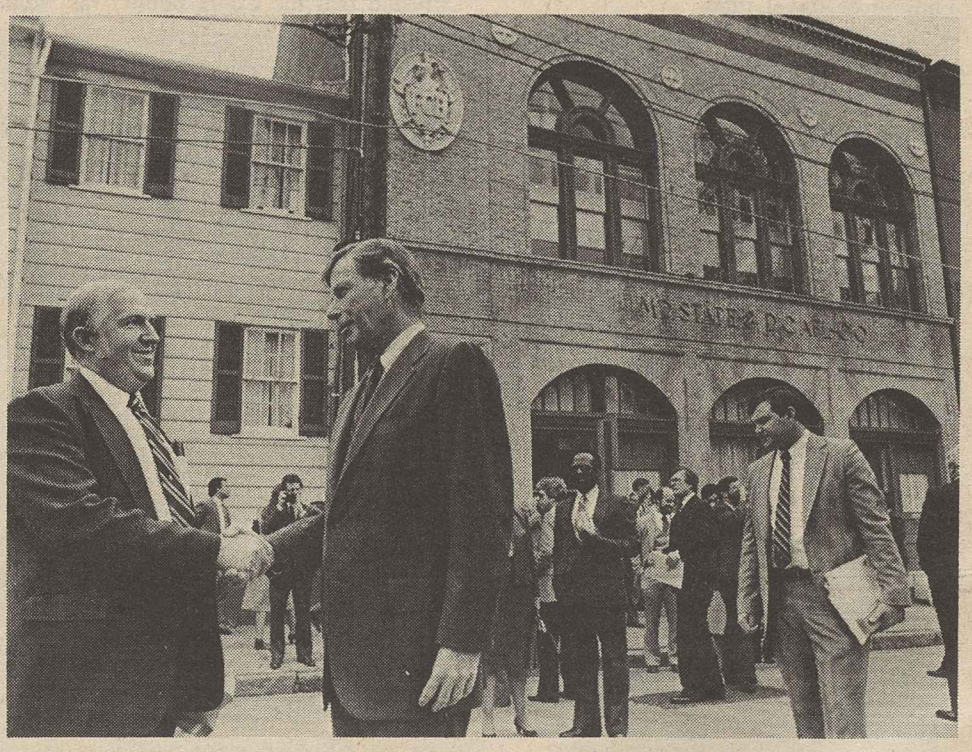
As for salary levels, he noted, the Pay Comparability Act passed in 1970 was supposed to have adjusted federal salaries each year to maintain parity with the private sector.

But with comparability studies regularly disregarded, federal pay levels have trailed significantly behind every major indicator. The percentage rise since 1970 was substantially less than the increase in average wage, inflation, military pay and social security, Blaylock noted.

The Reagan-appointed chairman of the Advisory Committee on Federal Pay, Martin L. Duggan, agreed that "federal pay increases, measured by either private wage or price gains, have not kept pace."

Duggan also noted that increased employee contributions to health plans and Medicare have further reduced paychecks.

Departing from the Administration policy, Duggan said cutting federal pay is the equivalent of imposing a tax on government workers but on no one else.



## Historic headquarters

At dedication of the new Maryland-D.C. AFL-CIO headquarters, President Edward R. Lamon welcomes Maryland Gov. Harry Hughes, who cut the ceremonial ribbon. The refurbished 1890 building, which has been designated a historical structure, is across the street from the governor's mansion in Annapolis. Some 100 state legislators and elected officials were at the ceremony.

# EDITORIALS

## Facing Up to Change

THE NATURE of work, the organization of the workplace, and the size, location, composition and background of the workforce have been changing at an especially rapid rate in recent years and that process of change is continuing unabated.

Given the magnitude and velocity of these destabilizing changes, the labor movement has demonstrated a notable resiliency. Unions represent over 20 million working men and women in the United States. Organized labor remains a vital force for progress in this nation; no serious observer denies that unions have played and continue to play a civilizing, humanizing and democratizing role in American life.

But despite their accomplishments, unions find themselves behind the pace of change. During the 1960s and 1970s, the American workforce grew in an unprecedented way, whereas the labor movement's membership remained static as gains made in organizing were offset due to job losses in basic industries. In the 1980s, union membership has shown a decline in absolute numbers as well as in percentage terms.

The AFL-CIO Executive Council created the Committee on the Evolution of Work as part of its efforts to assess the significance of the changes in the work environment for the federation and its affiliates. To do so, it is first necessary to review the labor movement's premises.

UNIONS ARE, first and foremost, organizations seeking to improve the lives of those they represent by improving their conditions of work and by insuring respect for their dignity as workers.

Organized labor believes that each worker is entitled to a fair day's pay for a fair day's work. That pay should include a share in the profits a worker helps to create and, thus, unions seek a larger share of those profits than "market forces" might dictate. And we recognize that those profits can only be created in a well-managed enterprise.

The labor movement also has sought to improve the conditions of life of its members by improving the conditions of life for all through political action and legislative efforts.

It is against this background of these basic and unchanging principles that we review the numerous and complex factors which have created the current situation confronting workers.

The United States—indeed every industrialized nation—is undergoing a scientific, technological, economic revolution every bit as significant as the industrial revolution of the nineteenth century. There is now a world economy in which workers in underdeveloped nations, working at subsistence wages, are producing the most sophisticated goods, and even services, for more developed nations.

Technological advances have eliminated scores of jobs, altered the requirements of an equal number, and created entirely new jobs. The success of the labor movement in improving wages and working conditions has had its effect on what workers see as their right, on what workers seek in further improvement, and on what employers recognize as the minimum conditions they must offer.

ALL OF THOSE developments are affecting labor unions throughout the industrialized world; none warrants prophecies of doom and despair regarding the future of labor.

Such prophecies were ventured 50 years ago, after American unions in the 1920s and 1930s had suffered serious setbacks and the number of unionized workers had declined dramatically; some predicted the demise of the labor movement at that time. In fact the reverse occurred: trade unionists of that era developed approaches attuned to their situation which caught the allegiance of a generation of workers and organized labor experienced a period of remarkable growth.

We are confident that the labor movement has the capacity to continue the never-ending process of renewal and regeneration that has enabled and will enable unions to remain the authentic voice of workers and their chosen vehicle for expressing their will.

*—From introduction to the report of the AFL-CIO Committee on the Evolution of Work, "The Changing Situation of Workers and Their Unions."*

## A Good, Hard Look




**Washington Window**

# Domestic spending cuts no quick cure for deficits

**By Press Associates, Inc.**

Much has been spoken and written about the nation's massive federal deficit—its threat to the economy and its causes and proposed cures.

As President Reagan tells it, his record deficits —now approaching $200 billion a year—are the result of too much spending on government programs. He often accuses Congress of failing to give him all the domestic spending cuts he wanted. He portrays social program spending as spiraling out of control even after the drastic cutbacks since 1981.

Reagan also blames his Democratic predecessors and a "spendthrift" Congress for his deficit dilemma even though the deficits accumulated during his Administration nearly equal the total of deficit spending by every administration beginning with George Washington.

The cure for the deficits, Reagan said in presenting his fiscal 1986 budget plan to Congress, is even more drastic cuts in domestic spending on student loans, housing, Medicare, Medicaid, school lunches, Amtrak, farm support programs, the Job Corps, and other vital programs.

### Realistic remedies

However, the real causes and the proper cures for the nation's red ink hemorrhage lie far afield from those cultivated by the White House. Organized labor and other groups have been honest about the deficit's causes and, for the past five years, have proposed remedies which are both fair and realistic.

The Service Employees recently examined the deficit and the Administration's fiscal year 1986 budget plan. Its report included these findings:

- Federal spending on domestic programs is not "out of control" as Reagan claims. The year before he took office, spending on these programs was 15.7 percent of the nation's gross national product (GNP), about the same level as in 1976. Domestic spending since has dropped to 14.3 percent of GNP.
- Since 1981, spending on domestic programs, other than self-financed social security and Medicare, has plummeted from 55.6 percent of the federal budget to 40.8 percent while military spending rocketed from 31 percent of the budget to 39.4 percent. Also, interest on the deficit-driven national debt has risen from 13.4 percent to 19.7 percent of all federal spending, or to $198 billion.
- The current $222 billion deficit is a direct result of Reagan's policies: cuts in corporate taxes and taxes paid by wealthy families combined with massive increases in defense spending. Since Reagan took office, the deficit has ballooned from 2.7 percent of the nation's GNP to 5.7 percent, more than doubling the drain on national resources.
- Reagan's budget plan for fiscal 1986, often publicized as a spending "freeze," would cut $38.7 billion from domestic programs while boosting military spending by $32.4 billion, continuing the Reagan pattern of massive spending shifts.
- Repeal of the 1981 corporate Accelerated Cost Recovery System and investment tax credits would raise $22.4 billion in revenue, about two-thirds of Reagan's proposed cuts in domestic spending. Because of these and other corporate tax giveaways, seven major corporations paid zero or less in taxes during 1981-1983 despite healthy profits.
- A freeze on defense spending would save $32.4 billion. Holding Pentagon spending to a 3 percent real growth rate would save $14 billion.

The SEIU's analysis noted that despite campaign promises to the contrary, "President Reagan has handed Congress budget proposals that would tackle the deficit by cutting programs that benefit workers, support a middle class, stabilize state and local governments, and provide at least assistance to impoverished and disabled families."

Congress, the report noted, can trim the deficit without cutting domestic programs by plugging corporate tax loopholes and reducing the growth of the gold-plated Pentagon budget.

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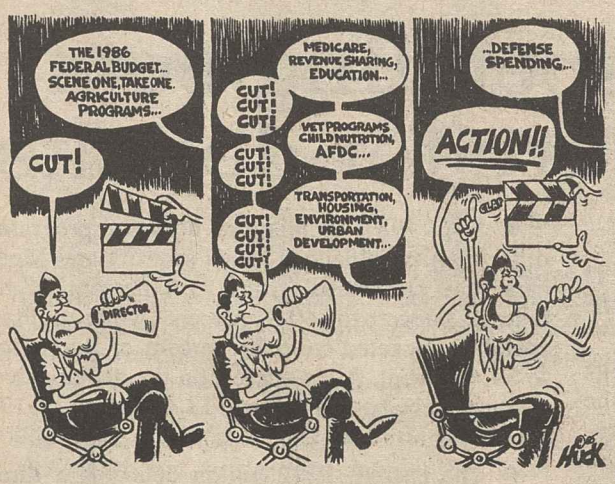
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# LEGISLATIVE ALERT!

# Reagan Budget Cuts Aimed at Working America

## *Congress Waiting to Hear From Voters, Those Who Hesitate May be the Losers*

Canvassing of Capital Hill by the lobbyists of AFL-CIO unions has revealed that most lawmakers are waiting to see which way the wind is blowing at home, before they make up their minds about the massive budget cuts being proposed by the Reagan Administration. This means the next few weeks could be critical for most American families.




The Reagan cuts tear at the very fabric of working America, slashing deeply into training and employment programs, aid to education, college tuition, unemployment protections, economic development programs for cities and towns, federal pay, veterans programs, farm programs, medicare and medicaid -- programs that help middle-class Americans.

At its February Executive Council meeting, the AFL-CIO struck out at this cruely unfair scheme, and offered instead a more realistic and humane way of trimming the federal deficit. Its proposal: Limit defense spending, enact new employment programs to increase the tax base, and plug the huge loopholes for the rich and wealthy included in the 1981 Reagan tax act. This would come very close to generating the $50 billion in savings that Congress will be shooting for.

You can help your senator or representative make up his or her mind on this vital matter, with a letter outlining cuts you oppose. It's much easier to influence Congress now than after they are committed. A breakdown of major proposed Reagan cuts for fiscal 1986 and how they can affect you are listed below:

**Medical Care and Nutrition** -- These programs, like Medicare, Medicaid and child nutrition were designed to aleviate suffering among the elderly and poor. Now the President wants to cut back Medicare, Medicaid and AFDC a total of $5.33 billion.

**Federal Employees** -- Our federal workers have already been called upon to bear more than their fair share of sacrifice. Now they are asked once again to make up for government fiscal ineptitude. The proposed 5% pay cut for 1987 alone will cost them $1.8 billion.

**Education** -- Here Reagan would cut deeply into federal aid to education, especially the college tuition loans on which so many families rely to give their children a better start. Total cuts to college student aid, elementary and secondary school programs and impact aid, $962 million.

**Jobs and Training** -- Cutbacks are planned in the federal training and employment effort, including total elimination of the Jobs Corps and national training programs. This would raise new barriers against young people, displaced workers and others seeking to fulfill their potential and achieve rewarding careers. Total cuts $118 million in fiscal 1986.

**Veterans** -- Here the President wants to repudiate the promises we made to those citizens who answered the call to bear arms in defense of their country. The President now wants to institute a "means" test for some veterans and cut VA health care by $414 million.

**Unemployment Protections** -- Here Reagan wants to eliminate outright any unemployment insurance protection for long-term unemployed who continue to suffer high levels of joblessness.

**Transportation and Economic Development** -- The President wants to cut out entirely revenue sharing for local governments, Amtrak, the Economic Development Administration, and make severe cutbacks in Export-Import Bank loans, community development, housing and mass transit programs, all of which are designed to foster economic growth. Total cuts from revenue sharing, CDBG, UDAG, urban mass transit, highway construction, water projects, Amtrak and Export-Import Bank are $6.05 billion.

**Farm Families** -- While America's farming families are enduring some of the roughest economic times in recent memory, the Reagan Adminstration would cut vital farm programs and threaten the very survival of our family farms. Cuts in rural electrification, rural housing, rural water and sewer, farm credit, crop insurance and price subsidies would total $7.6 billion.

These programs have been developed over the years to help middle-class America provide for its own needs, to safeguard the health and dignity of the old, to promote the educational and occupational aspirations of the young, and to protect the poor.

Use the letter provided below or write your own and send one to your two senators and to your representative in Washington telling them how important these programs are to you. Address them to the U.S. House of Representatives, Washington, D.C. 20515 and the United States Senate, Washington, D.C. 20510.

Dear _____:

I'm against the Reagan Administration's budget cuts because they would balance the budget on the backs of the elderly, poor, veterans, and other working Americans.

I urge instead that you consider raising the taxes of corporations and the wealthy. They benefited from the 1981 tax cut.

Sincerely,

# AFL-CIO Launches Fight Against 'Unfair New Tax' on Benefits

The AFL-CIO unequivocally reasserted its opposition to any plan to tax the hard-earned benefits of Americans and their families and heap new burdens on the already besieged middle class.

In a resolution adopted at its February Executive Council meeting that took direct aim at the issue of life-support benefits taxation, the Council declared: "We firmly oppose proposals to pile unfair new taxes on middle-class Americans who are already bearing the major share of the tax burden.

"Some particularly pernicious schemes, already being advanced, would tax such employer-paid benefits as group life and health insurance, pension programs, education assistance, prepaid legal assistance and child care, as well as unemployment compensation and worker compensation.

"Health insurance plans now protect more than 90 percent of all full-time workers, both union and non-union. These benefits meet specific national economic and social goals. They are not frivolous 'perks'. The imposition of such taxes might well en-courage employers to seek to freeze or revoke these and other benefits, undermining life-support systems."

The Council also noted that "to the extent that the Bradley-Gephardt 'Fair Tax' and Treasury proposals move toward getting the poor off the tax rolls, putting corporations and the wealthy back on, and reducing the form-filling and record-keeping chores of most people, those proposals recognize the need for tax justice. As these proposals are re-drafted, we shall carefully study their various provisions to determine whether the final product is truly fair to middle-class Americans."

**WHAT YOU CAN DO:** Write to your Senators and your Representative in care of: U.S. Senate, Washington, D.C., 20510 and U.S. House of Representatives, Washington, D.C., 20515.

Urge them to oppose any taxation of these employer-paid life-support benefits and ask that you be sent a reply as to his or her position.

## New Fact Sheets Available

Fact sheets detailing what you need to know about key labor issues are now available from the AFL-CIO Dept. of Legislation.

Hot off the press are: FS #99-1 -- Fringes; FS #99-2 -- Hobbs Act; FS #99-3 -- Balanced Budget; FS #99-4 -- Con Con.

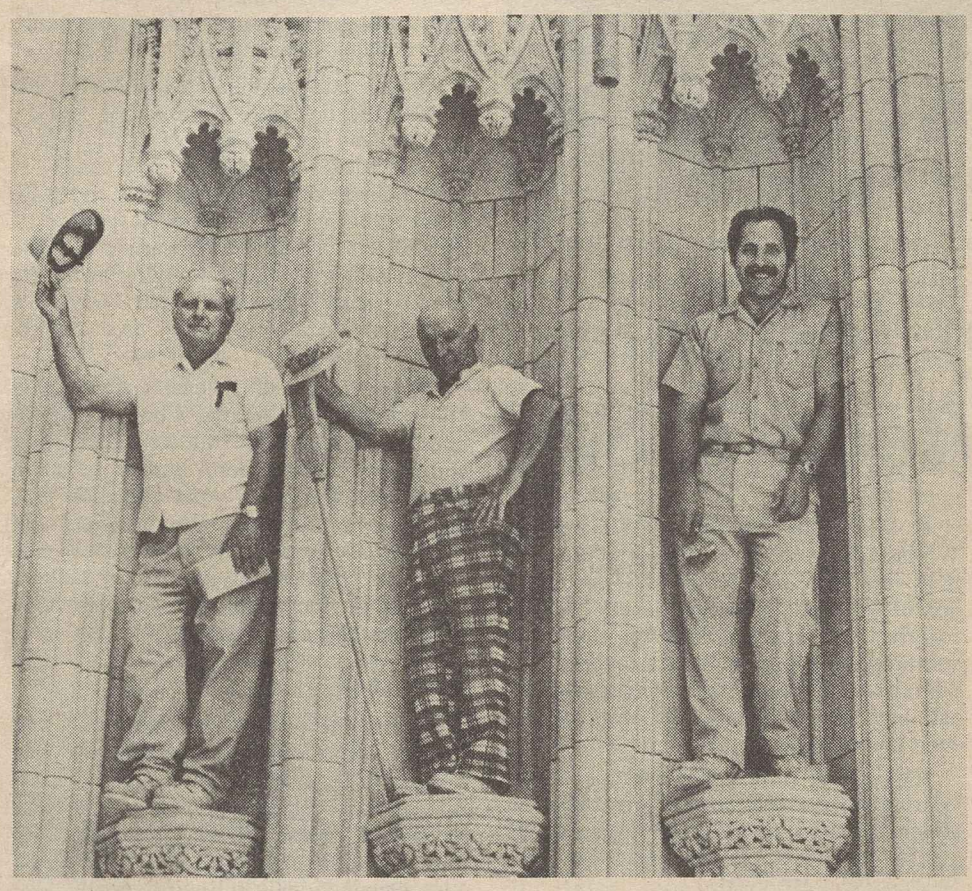
Coming soon will be Fact Sheets on immigration, plant closings, flat tax hoax, product liability, youth sub-minimum, hospital cost containment, Medicaid/Medicare.

To receive your free copy write: Pamphlet Div., Rm. 209, AFL-CIO, 815 16th St., N.W., Washington, D.C. 20006. (Bulk copies in reasonable quantity are also available.)

AFL-CIO news

VOL. 30, NO. 10
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MEMO FROM COPE
PAGE 8



**On the brink of fame**

Union stonecarvers who practice their specialized craft at Washington Cathedral in the nation's capital "rehearse" their acceptance speech for Oscar night. Frank Zic, Roger Morigi and Vincent Palumbo of Laborers Local 571 were featured in "The Stonecarvers," a documentary film nominated for an Oscar by the Motion Picture Academy of Arts & Sciences. The film focuses on Italian-American craftsmen who have carved stone for generations. (Story, Page 4.)

# Safety, trade head legislative agenda of IUD conference

**By Candice Johnson**

Delegates to the AFL-CIO Industrial Union Dept.'s annual legislative conference sent a message to Congress that now is "a time for action" on trade, the federal budget and workplace safety and health.

More than 1,200 trade unionists representing the 17 IUD affiliates assembled in Washington for the two-day conference to discuss critical concerns of workers and take their case to Capitol Hill.

IUD President Howard Samuel said the central issues before the conference are "vital to all of us—trade, plant closings and workplace safety." Samuel outlined a legislative program that includes a ban on the import of the cancer-causing chemical benzidine, legislation to "set up more effective defenses" against unfair trade practices, protection for workers and their communities in the case of plant closings, and a program to protect workers against toxic chemicals in the workplace.

On workplace safety, Samuel noted that while the Occupational Safety & Health Act had brought about some improvements over its 15 years, millions of workers are still suffering injury and illness.

"The tragedy is that our government knows and industry knows — only the worker doesn't know" about the risks and hazards posed by substances used on the job, Samuel declared. He urged delegates to continue their lobbying efforts as labor's program moves through Congress.

### House hearings

Samuel and leaders of several IUD affiliates presented the case for trade law modernization and enforcement at hearings of a House Energy & Commerce subcommittee headed by Rep. John D. Dingell (D-Mich.) and scheduled to coincide with the legislative conference. **(Story, Page 2)**

AFL-CIO Sec.-Treas. Thomas R. Donahue, addressing conference participants at an opening day luncheon, urged them to "make it clear to every legislator in Washington and your home state capitals that we're watching, monitoring, measuring and taking stock—and that we'll make our judgments at the next election time based on that analysis—not on the basis of how much stroking we get."

He added, "We don't let our employers get away with that; we can't let legislators get away with it either."

Donahue observed that labor has spent "a lot of years and a lot of effort in trying to elect representatives and senators whose philosophy seems to match ours. It's time we spent as much time and effort being sure that they live up to that philosophy in their voting, in their committee work, in speeches, in the work of their offices and staff, in their support for workers' issues."

Commenting on the recent report by the AFL-CIO Executive Council's Committee on the Evolution of Work, which he chaired, Donahue said it isn't a "blueprint for the future" in the traditional sense. "Rather, it's intended to provoke thought and discussion on all issues confronting our unions and to stimulate the boundless energies and ideas of the hundreds of thousands of trade union leaders and activists across the country."

"In my view, most importantly," Donahue said, "it speaks to our need to increase members' participation in their unions and to ensure that they are educated, not just in its history and past but in its future, and to ensure that they play

**Continued on Page 2**

# Reagan halts auto curb, import tide keeps rising

## *Trade deficit up 28 percent*

**By James M. Shevis**

America's $10.3-billion foreign trade deficit in January—up 28 percent from the previous month—"is a reminder that the trade problem is worsening instead of improving," the AFL-CIO warned.

The continuing flow of job-gutting imports swamped the country's best monthly export performance in more than three years. The Commerce Dept. attributed the deterioration to the overvalued U.S. dollar and further growth in domestic demand.

Federation Research Director Rudy Oswald noted that the value of the dollar surged nearly 10 percent between the beginning of the year and the end of February.

"This will lead to even further worsen-

**Continued on Page 5**

## *Unions warn of job losses*

President Reagan's retreat on voluntary quotas for Japanese auto imports will cause further job losses, unions in the industry charged.

Auto Workers President Owen Bieber and Electronic Workers President William Bywater warned that American workers and their communities will pay the price for the Administration's decision to let the Voluntary Restraint Agreement with Japan expire on Mar. 31.

"While the decision will have very slight impact on car prices paid by consumers," Bieber said, "the entire nation will pay a steep price in terms of the likely loss of 200,000 jobs in auto and supplier industries, in terms of damage to the tax base and service employment in auto-producing communities, and in terms

**Continued on Page 6**

# Reagan veto kills debt relief plan for family farmers

Congress voted emergency assistance to financially strapped family farmers but lacked the two-thirds majority needed to override President Reagan's veto.

The effort to prevent foreclosures and advance farmers credit to plant a spring crop was spurred by the depression-like calamity that has afflicted the grain-growing and corn-raising states—and the angry response of the victims.

Some 14,000 farmers gathered in Ames, Iowa, for a protest meeting called by a coalition of rural organizations, including groups that have been allied with the labor movement. Other farm delegations travelled to Washington to lobby for emergency aid, including the entire South Dakota legislature.

Against this grass-roots outpouring, Senate Republican leaders were unable to keep their majority intact. Significantly, four of the eight Republicans who broke ranks to vote with the Democrats for the credit assistance measure were farm state sen-

**Continued on Page 4**

# Copper strikers: 'We're not leaving'

**By David L. Perlman**

The labor movement's solidarity with striking Phelps Dodge Corp. copper workers and their families spanned the continent, stretching from an overflow fundraiser at AFL-CIO headquarters to the picket lines maintained in Arizona by members of 13 unions.

It was a two-way message.

"The AFL-CIO will stand shoulder-to-shoulder with these brothers and sisters as long as it takes to win," Federation President Lane Kirkland told union supporters gathered to see the premiere of a film on their 20-month strike.

"This is a fight against corporate greed," Kirkland said, "a fight against union busting" and "every trade unionist is a part of it."

The response came from Primo Martinez, a Phelps Dodge striker and an officer of Steelworkers Local 616 in Morenci, Ariz.

### Determined

The union members, who have been on strike since July 1983, will stay out "as long as we have the support of the labor movement," Martinez said.

Steelworkers President Lynn R. Williams, whose union represents the largest group of strikers at the four Phelps Dodge properties in Arizona and one in Texas, said the unions involved "are not leaving" until an honorable settlement is reached. The struggle will continue, Williams pledged, in every arena available—from the picket lines to corporate boardrooms.

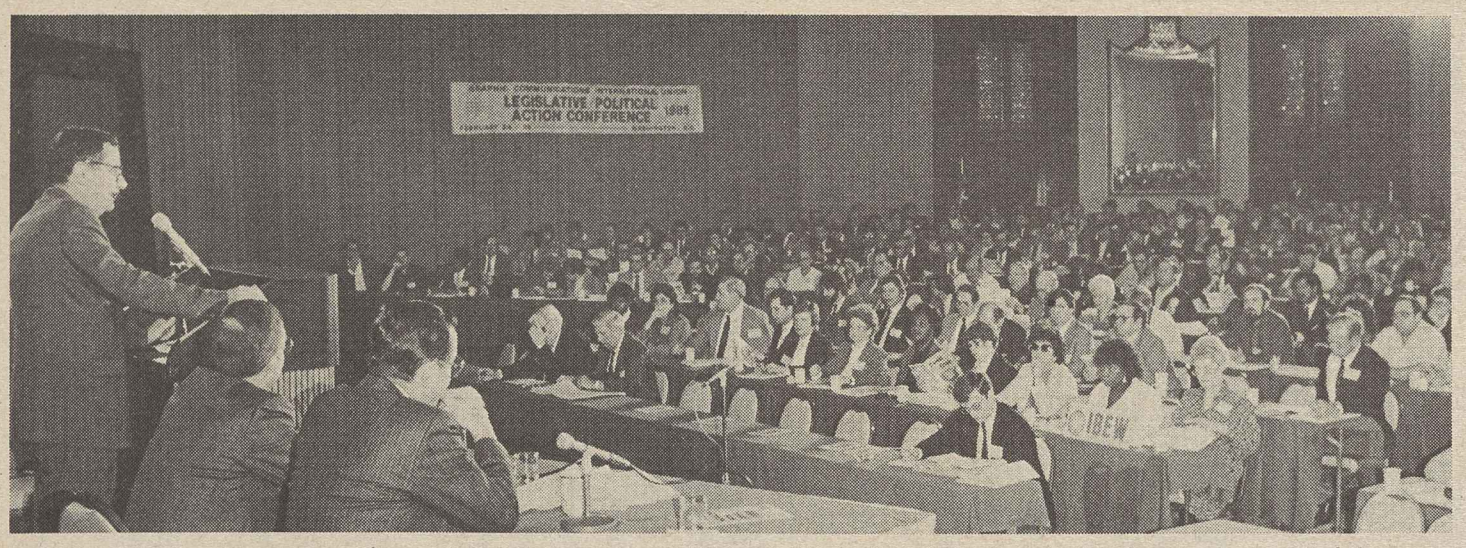
The Steelworkers have taken the strike to Wall Street, with the cooperation of unions and pension funds that have made clear that they don't want their assets propping up a union-busting corporation.

Every trade unionist has a stake in the struggle to assure that "America's workers will not be starved out," Kirkland said. The solidarity demonstrated every day on the Phelps Dodge picket lines is what the

**Continued on Page 5**

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3/9/85




Industrial Union Dept. President Howard Samuel spells out IUD's legislative agenda for conference delegates.

# *Labor panel cites toll of lost jobs as 'torrent' of imports flood U.S.*

The United States is the 97-pound weakling in the rough world of international trade and a muscle-building course is long overdue, a panel of union leaders asserted at House hearings.

Their testimony, before an Energy & Commerce subcommittee headed by Rep. John D. Dingell (D-Mich.), came during the Industrial Union Dept.'s legislative conference. The focus of the hearings was the cause and effect of the nation's huge trade deficit.

These are some of the points they made:

● IUD President Howard D. Samuel said the "usually mythical" savings to consumers from unrestrained imports must be balanced against the very real costs of unemployment resulting from the destruction of an industry.

"There are still some economists around who seem to think that a 55-year-old sewing machine operator in New York City can pack her bags and head for Silicon Valley to take a job as a computer programmer," Samuel noted.

Other nations protect their economic interests without apology, he observed. Why should the United States be the only exception?

● Steelworkers President Lynn R. Williams noted that most of this country's economic growth of the past two years has been "soaked up by the torrent of imports that have flooded the American market." Economic recovery has "bypassed" steel, "and left us with continuing high unemployment."

Williams noted that steel imports accounted for about 13 percent of the American market in 1974 and have doubled over 10 years to more than 26 percent. During that period, employment in basic steel fell from 400,000 to under 200,000.

● Clothing & Textile Workers Sec.-Treas. Jacob Sheinkman said there were 204,000 fewer workers in the textile and apparel industries at the start of this year than in 1980. Last year, he noted, 89 shoe factories in the United States gave up the fight against imports and closed.

The Administration has been reluctant to take remedial action against unfair trade policies by developing nations because of their debtor status, "yet with our mounting trade and deficit budgets, we are becoming the world's largest debtor nation." When it comes to trade retaliation, "as our trading partners know, we are a paper tiger."

● Auto Workers President Owen Bieber said abandonment of the voluntary restraint agreement with Japan threatens "long-term, irreversible damage to the American economy."

Bieber urged retaining VRA "until the yen and the dollar return to a fair balance." The existing imbalance, he said, "provides Japanese automakers with a huge cost advantage that overshadows much of the efforts made to improve U.S. competitiveness."

### Ineffective

● Ladies' Garment Workers Sec.-Treas. Jay Mazur said neither the Multifiber Arrangement (MFA) nor bilateral agreements have prevented the "steady erosion" of the U.S. apparel industry. Since the MFA was agreed to, the import share of the apparel market has climbed from 21 percent in 1973 to 50 percent last year.

He noted that two-thirds of women's apparel imports last year came from four countries—Hong Kong, with a $1.18 an hour wage rate, Taiwan at 57 cents an hour, South Korea at 63 cents, and China at the equivalent of only 16 cents.

Mazur said importers get around quotas by shifting production to other countries and falsifying country-of-origin labels.

● Machinists President William W. Winpisinger pointed out that new products that were made possible by U.S. inventions are increasingly being produced overseas for the American market. He said joint ventures with foreign firms can be profitable for industry executives and shareholders, but the losers are U.S. workers and their communities.

Winpisinger urged an overdue "measure of reality and fairness" in the rules governing international trade relations.

### U.S. goods barred

● James B. Booe, executive vice president of the Communications Workers, noted that nations that have expressed concern about "protectionist" actions by the United States have no hesistancy themselves in utilizing non-tariff barriers to keep out U.S. goods.

Booe complained of weak bargaining in past trade talks by U.S. negotiators, some of whom, he pointed out, have since gone on to represent foreign clients.

"We hope Congress will deny the President new negotiating authority and press for enforcement of existing laws," he said.

● Electronic Workers President William H. Bywater said the United States, with "the most open market in the world," has been swamped with "subsidized, dumped and targeted goods."

IUE members have lost their jobs through the virtually total destruction of the radio and black-and-white television industries, a decline of more than two-thirds in color television manufacturing, and jobs lost in auto parts production.

The United States can no longer make economic and foreign policy without regard to the impact on trade, Bywater stressed.

# IUD delegates press safety, trade issues

**Continued from Page 1**

their individual role in building that future and making it successful."

Among congressional leaders who addressed the delegates were House Majority Leader Jim Wright (D-Tex.), Sen. Donald Riegle (D-Mich.), who spoke at the luncheon on the second day, and Rep. Frank Guarini (D-N.J.), a cosponsor of the trade reform bill, who warned that the United States is "literally giving away the country store" and will soon become a debtor nation unless trade laws are revised.

Wright told the delegates that it is "time for action" in the Congress to reduce the record $123 billion trade deficit and to attack the federal budget deficit in a fair way. He called Administration proposals to tax health care, pension and other worker benefits "outrageous and arrogant," particularly in light of policies that permit many multi-billion dollar corporations to pay no tax at all.

### Other bills

Besides the trade "modernization" bill, specific legislation being pressed as part of the IUD program includes the measure to ban benzidine, introduced by Rep. Donald J. Pease (D-Ohio) along with Rep. David R. Obey (D-Wis.); the High Risk Occupational & Environmental Disease Notification & Management Program, introduced by Rep. Joseph M. Gaydos (D-Pa.); a bill to protect a broad range of workers and their communities from the devastating effects of sudden plant shutdowns, sponsored by Reps. William Clay (D-Mo.), Silvio Conte (R-Mass.) and William D. Ford (D-Mich.).

# Velasquez, Young get new COPE region posts

COPE Director John Perkins has announced the appointment of Joe Velasquez as region director for Ohio and Michigan. And W. C. Young, formerly director of the Michigan and Missouri region, has been designated director for Kentucky and Missouri.

Velasquez, who will be based in Columbus, was Hispanic political coordinator for the Mondale-Ferraro campaign and had previously been field director for the Labor Council for Latin-American Advancement. Earlier, he was an international representative with the Auto Workers and served with the Labor Dept.'s Occupational Safety & Health Administration.

# Seafarers endorse promotion effort of 'American' tuna

Bal Harbour, Fla.—The Seafarers have joined with C.H.B. Foods, Inc., of Terminal Island, Calif., to promote a new product line of totally American canned tuna fish.

SIU President Frank Drozak reported to the AFL-CIO Executive Council that members of the union had accepted a $1-an-hour wage rollback to be matched by the company to promote the new "American" brand tuna and narrow the market advantages enjoyed by foreign producers.

Drozak reported that the company also will operate a fleet of unionized fishing boats to supply its Terminal Island cannery operations. The "American" tuna is the only brand packed exclusively in the continental United States by a national tuna company, he said.

If the campaign succeeds, Drozak said, it could lead to the reopening of another cannery that has been idle for three years, providing job opportunities for an additional 1,000 workers. It would also help revitalize the domestic tuna boat fleet and other support industries.

# Trade aid needed 'more than ever'

The Trade Adjustment Assistance program the Administration wants to kill off "is needed more than ever," AFL-CIO Legislative Director Ray Denison said.

The existing program of cash benefits, training, job search help and relocation allowances is scheduled to expire in September, and the Administration opposes its renewal.

Ending the program would be a double blow to the workers affected, Denison said in a letter to Rep. Sam Gibbons (D-Fla.), chairman of a House Ways & Means subcommittee on trade. Workers who "lost their jobs due to U.S. trade policies will now lose adjustment aid because of U.S. budget policies."

At hearings chaired by Gibbons, Auto Workers Legislative Director Dick Warden said that the need for trade adjustment assistance will become even more urgent if Japan's voluntary restraint agreement limiting auto imports is allowed to expire and more U.S. workers lose their jobs as a result. Thousands of Americans are now jobless due to the imports.



# Talking back

Federal workers whose pay and pensions would be slashed under the Reagan Administration's budget proposals get a chance to talk back at House hearings. Members of the Government Employees and other federal-sector unions confront the architect of the pay cut proposal, Director Donald J. Devine of the Office of Personnel Management.

## AFSCME analysis

# Reagan budget scored for scuttling programs

An AFL-CIO public employee union charged that the Reagan Administration is making needed social programs the "scapegoats" for its "unsound fiscal policies," and the losers are low- and middle-income Americans.

Of the $18.4 billion in domestic social spending cuts in President Reagan's 1986 budget, 75 percent, or $13.8 billion, represents federal aid to state and local governments, the State, County & Municipal Employees pointed out in an analysis of the budget.

Describing the cuts as "huge and reckless," AFSCME President Gerald W. McEntee told reporters at a Washington press conference the reductions are "unjustified."

"The huge federal deficits were not created by domestic social programs and cannot be solved by continually cutting these programs," McEntee said.

"Only addressing the source of the deficits—namely, defense spending and corporate tax loopholes—will restore the fiscal integrity of the federal government.

"The major share of the Administration's proposed cuts are in grants-in-aid to state and local government," McEntee observed. "The workers that AFSCME represents will see the effects of the service cuts first hand.

"We are very concerned that real public needs will go unmet and that moderate- and middle-income taxpayers will be hurt as a result."

The AFSCME analysis lists the state-by-state effects of the $13.8 billion in domestic spending cuts proposed by the Administration. The report analyzes more than 200 federal programs supporting public education, mass transit, social services, child nutrition, Medicaid, job training, highway construction, and Medicare.

### Program cuts

Among the major findings of the report, titled "State of the States," are:

- Programs providing direct payments to individuals would be reduced by $4.6 billion. These cuts would be concentrated in just two programs—Medicare and aid to college students.
- The programs that would sustain the deepest cuts, in percentage terms, are libraries, 100 percent reduction; child nutrition, 17 percent; community services, 100 percent; juvenile justice assistance, 55 percent; subsidized housing, 72 percent; Appalachian regional programs, 100 percent; energy conservation, 24 percent; urban development action grants, 100 percent; urban mass transit, 100 percent; general revenue sharing, 100 percent, and student aid, 21 percent.
- The 10 states that would suffer the highest per capita reductions in grants from the federal government are Alaska, New York, Massachusetts, Vermont, Montana, Rhode Island, Wyoming, West Virginia, Maryland and New Jersey.
- The states with the 10 highest per capita losses in payments to individuals would be Vermont, Massachusetts, Rhode Island, Maine, South Dakota, Pennsylvania, New York, Florida, Missouri and Oregon.

"The Administration justifies these cuts by saying that states and local governments are well off and able to shoulder a larger role in the delivery of government services," McEntee observed.

"In fact, the small surpluses that some states enjoy are unequally distributed, with half the surpluses being concentrated in just five states."

The proposed cuts would represent the second largest reduction ever in domestic spending for a single year. Only the omnibus domestic spending cuts enacted when Reagan first took office were greater.

### Impact ignored

Besides the elimination of needed and effective programs, including the Job Corps, the work incentive program and revenue sharing, the Administration's budget proposes partial cutbacks in virtually every other domestic program. Yet, little consideration is given to the consequences of these actions, McEntee said.

"Nothing could be so shortsighted as to slight our investment in education, infrastructure, health and nutrition—the basic building blocks of a productive society," he declared.

McEntee said the Administration would like to pretend that state and local governments have enough funds to replace lost federal aid. But the truth is they are in precarious fiscal health, he said.

Current state and local government surpluses are very low by historic standards, are concentrated in just a handful of states, and are the direct result of hefty tax increases and persistent belt-tightening, McEntee pointed out.

The proposed slash of $13.8 billion in federal aid to state and local governments will force untenable choices, he warned, choices between additional state and local tax increases or massive service cuts.

"It is clear who will pay. It will be the low- and middle-income recipients of these federal programs and state and local taxpayers—you and I," he said.




Transport Workers picket Pan Am at New York's Kennedy Airport.

# *Striking Pan Am workers assail union-busting tactics*

New York—The Transport Workers accused Pan American World Airways of embarking on a union-busting course and said TWU members are continuing to show their solidarity on the picket line.

The union, which represents more than 5,700 mechanics, baggage handlers, flight dispatchers and food service workers, struck on Mar. 1, two months after its former contract had expired.

TWU, along with other Pan Am unions, had made substantial pay and contract concessions in 1981 and 1982 when the airline was in deep financial trouble. Now, in what was supposed to have been a "snapback contract," to recoup past concessions, Pan Am has been demanding further givebacks, including reductions in vacations and holidays, work rule changes and sharply reduced starting salaries.

Of the five unions that bargain with Pan Am, only the Pilots had reached an agreement when the strike began. Pilots respected the TWU picket lines for the first week of the strike, but then agreed to return to work.

Despite the move, Pan Am's domestic flights remained almost entirely suspended and a number of overseas flights were cancelled.

Union supporters turned out Mar. 5 for a big rally in front of the Pan Am building in midtown New York to bolster the strikers' cause. Some 5,000 persons took part in the demonstration.

The company's abrasive bargaining table stance had angered unions representing nearly all of the 19,000 workers, many of whom have been on layoff. An unaffiliated flight attendants' union had set an Apr. 1 strike deadline.

### 700 jobs eliminated

TWU negotiators were particularly irked by Pan Am's unilateral action in dismantling its commissary operations in New York, San Francisco and Honolulu two days after the strike began. The company contracted out the work to a Marriott operation, eliminating the jobs of some 700 TWU members.

Employment opportunities or compensation for these workers has become a major strike goal, the union said.

John Kerrigan, director of TWU's airline division, said Pan Am's actions indicate that it doesn't want to reach a settlement at the bargaining table.

He charged the airline with "purposely provoking continued conflict in order to ultimately break all the unions on the property."

TWU's advice to travelers was that "if they want a safe, clean, on-time trip with quick baggage retrieval, they'd better take another airline until the strike is over."

# Mediation found effective tool in settling Article XX disputes

Bal Harbour, Fla.—Mediation continues to prove its effectiveness as a means of settling disputes between affiliates under Article XX of the AFL-CIO Constitution, Sec.-Treas. Thomas R. Donahue said.

Reporting to the Executive Council on the operations of the Article XX Internal Disputes Plan, Donahue said 2,344 cases have been filed since the plan's inception in 1962. Settlement was achieved through mediation and discussions between the organizations in 1,328 cases, or 56.6 percent. In 1984 alone, 24 cases—35 percent of those processed during the year—were settled at the mediation level.

Since February 1982, all cases have been handled by a permanent mediator, John N. Gentry. In cases not settled through mediation, hearings are conducted and determinations made by the impartial umpires, D. Quinn Mills and Howard Lesnick. There have been 995 such determinations since 1962.

Sixty-three new cases were filed in 1984 and 15 remained pending at the mediation level at the end of the year. Umpires' determinations found violations in 15 cases and no violations in 13, with four cases pending. A justification report was issued in one case.

At the appeals stage, 13 cases were pending at the start of the year and 17 new appeals were entered. Council subcommittees sustained the umpires' determinations in 11 cases. Five appeals were withdrawn and four were referred to the Executive Council Appeals Committee, leaving ten cases pending.

The Appeals Committee affirmed one determination and set aside or modified two, with one case remaining pending.

Seventeen non-compliance complaints were pending at the start of the year and two others were filed during the period. Compliance was achieved in four cases, four remained pending and 11 non-active.

Two affiliates remain listed as in non-compliance and subject to Article XX sanctions: the International Typographical Union and the National Association of Broadcast Employees & Technicians.

In other action, the Executive Council approved extensions of jurisdictional protection for the State, County & Municipal Employees in seven units. Three of the extensions are to February 1986 for units in Buffalo, Baton Rouge, La., and Sacramento, Calif. The other four are to May 1986 for two units in Los Angeles, one in Maine and one in Warm Springs, Mont.

# Apprentice organizers

**Bal Harbour, Fla.—The Sheet Metal Workers announced a new program to put up to 2,000 apprentices into the field as union organizers.**

**SMWIA President Edward J. Carlough said the program will begin with a pilot effort in several cities next summer. About 200 third-year and fourth-year apprentices will work full-time as union organizers. The ultimate objective is to add a fifth year to the training program with the third year devoted to organizing.**

**Carlough said the plan grew out of a locally inspired test. Thirty apprentices from Local 35 in Atlanta emerged from a building trades organizing conference so enthusiastic that they volunteered for local organizing efforts on their own time.**

**"We knew why we were union," said one of the participants, James McCullough. "We figured we could explain the advantages to other young workers better than somebody 30 years older could. And we turned out to be right."**

# Walkout by Machinists grounds Alaska Airlines

Seattle—Mechanics and baggage handlers represented by the Machinists struck Alaska Airlines after failing to reach agreement on a new contract with the Seattle-based airline.

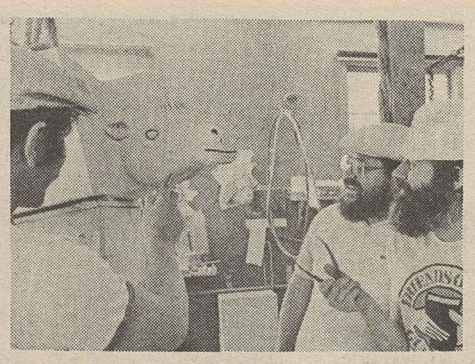
The union represents about 1,400 of the airline's 2,750 employees. The strike began on Mar. 4, ten days after expiration of a 30-day cooling-off period required under the Railway Labor Act governing labor relations in the airline and railway industries.

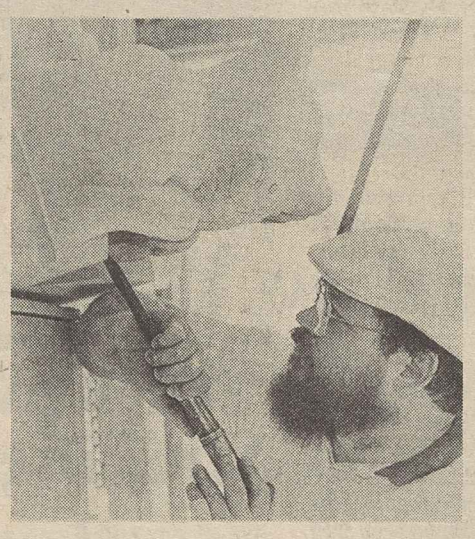
Gary Peterson, secretary-treasurer of IAM Local 2202 here, said that pickets were put up at airline destinations throughout Alaska, Washington and California. Issues include cost-of-living adjustments and the length of time required to reach the top pay scale.

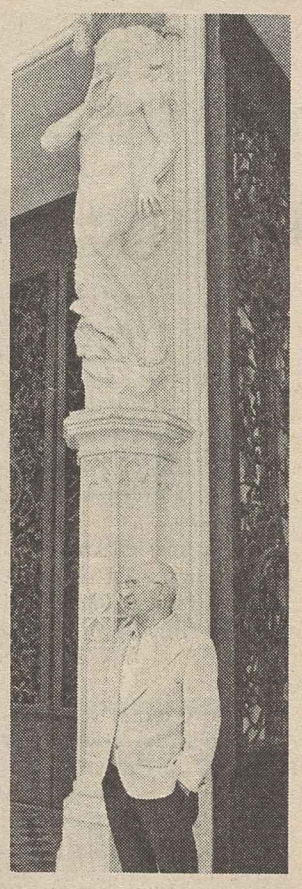
IAM also represents ticket and freight agents and workers in other job classifications, but these workers are not included in the contract being negotiated.

The carrier reported a record profit of $23.9 million in 1984.









Stonecarvers Vincent Palumbo, Bill Bucher and Patrick Plunkett on the job at Washington Cathedral. Retired master carver Roger Morigi, right, with his work "Adam."

# Stonecarvers—their labor of love

The work and lives of Italian-American craftsmen are featured in a new documentary film, "The Stonecarvers," which has been nominated for an academy award. The film focuses on four union stone carvers—members of Laborers Local 571—working at the Washington Cathedral, a Gothic-style structure begun in 1907 that is still under construction.

Vincent Palumbo, master carver at the cathedral, was 9 years old when he began to learn the trade, not carving at first, but "sweeping up, doing what my father would tell me," he recalled. "Soon, he gave me chisels, a piece of stone in the shop where he was working and asked me to try to do this or that. Now, I've been doing this all my life. I feel strange doing something else."

Palumbo came to the United States in 1961 to join his father as a stonecarver. He said he never thought of earning a living in any other way.

"We work here at the cathedral because it is an honor as well as to make a living. I've been here half of my life and I want to stay. My father was here before me. It's my trade, what I was born to do."

Roger Morigi was the cathedral's master carver until he retired in 1978, after 60 years in the specialized craft. Morigi also learned the trade as a young boy in his native Italy. He joined his father in America in 1927 and worked on some of the nation's landmarks — the U.S. Capitol, Supreme Court and National Archives.

### Creative work

Both men agree that stone carving is a very special craft. As Palumbo described it, "the sculptor is the creator but the carver is the performer. We do the statue, and yes, we copy the model, but when the finished product goes into the cathedral, we have put our feelings into the stone. We have put life into it."

Palumbo noted that while stonecarvers keep up with technology and use some electric tools, "the hands must still control the machine." Most of the fine carving and finishing is done with the same kind of tools stonecarvers have used for centuries. According to the film's producers, the craft is "remarkably unchanged since the days of Michelangelo."

Morigi and Palumbo expressed regret that they may be the last of a centuries-old line of stonecarvers. Changes in architecture and building style have nearly eliminated the need for their very special talents. But as one carver in the film declares, "our handiwork is going to stay forever."

"The Stonecarvers" was produced by Marjorie Hunt of the Smithsonian Institution and Paul Wagner, who won an Emmy award for his film on the Sleeping Car Porters, "Miles of Smiles, Years of Struggle."

# *Union sees hope for reopening of closed steel mill*

Pittsburgh—Prospects for the eventual reopening of idled portions of U.S. Steel's huge Duquesne Works and the restoration of hundreds of jobs brightened with the Steelworkers' announcement that two investment banking firms have agreed to conduct financing and marketing studies toward that end.

USWA District 15 Director Andrew Palm told a news conference that Lazard Freres Co. of New York and Russell, Rea Zappala Inc. of Pittsburgh will work as a team, using their worldwide financial contracts, in carrying out the studies.

An initial feasibility study, commissioned by the union and released last month, showed the plant could be restarted at reasonable costs, and a market existed for steelworkers to produce semifinished steel, Palm observed.

"Today, we are taking that effort a step further," he said. "We want to find out what will be required in the way of financing, and if financing is possible. We also want to zero in on specific customers.

"We do know that the market for semifinished steel will increase," Palm said.

U.S. Steel announced late last year that it planned to raze the blast and basic oxygen furnaces at the Duquesne Works as part of its corporate strategy to reduce steelmaking capacity.

About 1,200 members of USWA Local 1256 were laid off at the Duquesne Works when the mill completely shut down last May.

# Two more states stymie drive for constitutional convention

Labor's efforts in Illinois and Washington state helped stall the attempt to convene a national convention that would initiate a balanced budget amendment to the U.S. Constitution.

The double setback for the right-wing drive came just a week after the Montana House of Representatives had defeated a "con-con" resolution.

At legislative hearings, union witnesses have opposed the constitutional convention resolutions both on the merits of the proposed amendment and on the procedure. Labor has repeatedly stressed that a dubious and probably unworkable economic doctrine has no place in the Constitution. And the never-used procedure of forcing a constitutional convention by petition of two-thirds of the states could open the gate to a drastic reshaping of American government.

### 10-year campaign

Proponents of a balanced budget amendment have been successful in 32 of the required 34 legislatures in more than 10 years of trying, but there have been few additions to the list since the 1970s, when the proposal wasn't taken very seriously.

The Illinois Senate rejected a con-con resolution five years ago, and the proposal hasn't reached the floor since then. It probably won't this year either. The Senate Executive Committee killed the resolution on a 6-4 vote.

In Washington, the battle has been closer. Last year, the state senate defeated a con-con resolution by a single vote. On this round, the resolution was blocked in the Senate Judiciary Committee by a 7-6 vote.

At the committee hearing on the resolution, State AFL-CIO President Marvin L. Williams was a principal witness against the measure. The National Tax Limitation Committee, one of the self-styled taxpayer organizations pushing for a constitutional amendment, brought in a former U.S. senator from Virginia, Harry F. Byrd Jr., to testify for it.

The con-con campaign is likely now to focus on the Michigan and Connecticut legislatures.

Despite labor opposition, it passed the Republican-controlled Michigan Senate earlier this year by a 19-12 vote and House hearings are scheduled later this month.

The turnabout in both houses of the Connecticut legislature from Democratic to Republican in last November's election has made that state a battleground.

President Reagan, who has never yet proposed a balanced budget to Congress, has regularly endorsed a constitutional amendment that would prohibit Congress, except in certain emergencies, from voting to spend more than the estimated revenues from taxes.

In Congress, proponents of a balanced budget amendment have used the threat of a runaway constitutional convention as an argument for Congress to initiate the amendment through the conventional procedure of a two-thirds vote by the House and Senate.

# Reagan veto kills plan to help farmers

**Continued from Page 1**

ators who face re-election battles in 1986.

The Senate bill was attached to an African relief measure. The House, which had passed its own version of farm assistance, then approved the Senate measure intact by a 255-168 vote, sending it to the White House. Thirty Republicans supported it, about half from farm states. Eighteen Democrats and 150 Republicans voted against it.

Reagan immediately vetoed the measure, declaring sternly: "Just as your families don't have a blank check for whatever your needs may be, neither can government—and that means taxpayers—bail out every farmer hopelessly in debt or every bank that made imprudent or speculative loans."

Earlier the President had announced a series of administrative actions he said would help farmers, but he backed the position taken by his budget director, David Stockman, who said farmers shouldn't look to the government if they can't pay their debts.

While Reagan's critics couldn't muster the two-thirds majorities needed to override his veto, the President was having his own troubles with the lopsided budget he submitted to Congress earlier this year.

### No agreement

Republicans on the Senate Budget Committee couldn't reach a consensus on the huge rise in military spending sought by the President at the same time that he was demanding cuts in domestic programs. The outcome was a bipartisan 18-4 vote to hold the military increase to inflation levels, slashing $79 billion over three years from the President's spending request.

Eight Republicans joined nine Democrats on that vote, with only four committee Republicans sticking with Reagan.

The committee then followed through by voting 13-9 to maintain subsidies for AMTRAK passenger train service and mass transit grants to cities—both programs Reagan wants to abolish. And it voted 11-8 to continue three other Administration-opposed programs, Urban Development Action Grants for cities, the Appalachian Regional Commission, and the Economic Development Administration.

The President, however, maintained a public stance of "no retreat" from his budget priorities and in his weekly radio address to the nation called on Congress to approve his domestic budget cuts by Easter.

# Holocaust Memorial fund appeal endorsed

AFL-CIO President Lane Kirkland has urged strong labor support for the current drive to raise funds for a national museum and living memorial to the victims of the Nazi Holocaust in Europe during World War II.

In a letter to the heads of affiliated unions, departments and central bodies, Kirkland noted that the AFL-CIO Executive Council two years ago endorsed the proposed memorial museum. The council urged generous contributions by labor groups to help the U.S. Holocaust Memorial Council created by Congress raise upward of $75 million to establish the museum. President Reagan is honorary national chairman of the campaign.

Kirkland noted that the American labor movement has been speaking out against anti-Semitism since the beginning of the century. He pointed out that the AFL Executive Council in its report to the 1933 convention specifically condemned Hitler and the Nazis in Germany for suppression of trade union rights and persecution of Jews.

"The record of U.S. labor in this regard is one of which we can all be proud, and I have recommended that labor's record become a part of the memorial museum," Kirkland said.

**$5-million award**

# Fired hotel workers regain jobs, back pay

Miami Beach—An appeals court decision has paved the way for reinstatement and hefty back pay awards to some 300 hotel workers fired after a 1977 strike.

Individual payments will range from about $3,000 to $20,000, with the total close to $5 million, according to estimates by Local 355 of the Hotel Employees & Restaurant Employees.

The reinstatement and back pay had been ordered by the National Labor Relations Board in 1979, and the strike in which the workers participated began on Christmas Day 1976 and ended about three weeks later.

In its verdict, the 11th Circuit U.S. Court of Appeals agreed with the NLRB and the union that the dismissals were intended as retaliation against the workers, and the pretext that they were being dismissed as "unqualified" was a sham.

The firings had been engineered by management officials of the Doral hotels who have since been replaced, and the union reports that relations improved significantly while the case was making its way through the courts. The hotels involved are the Doral Beach Hotel, the Doral Hotel & Country Club and the Carillon Hotel.

It was after the workers ratified a new contract and returned to work that the firings took place, with management insisting on its right to fire "unqualified" workers.

The action came after the union had insisted on and obtained as a condition of the strike settlement a promise that strikebreakers hired by the hotels would be the first to be fired in any reduction of the workforce.

Testimony before the NLRB, cited in the appellate decision, showed that management encouraged the designation of union members as unqualified so that replacements could be kept on.

### Anti-union bias

Whatever the words used, the intent was clear. Thus the hotel's personnel director didn't tell supervisors to put active union members on an "unqualified" list for dismissal. But, as the court noted, his "hostility toward the strikers and the union colored the delivery of his instructions to the supervisors, leading them to believe that he wanted them to consider unqualified the strongest union supporters, to teach the employees a lesson and discredit the union."

The decision noted that "no one had previously complained about the performance of the vast majority of those labeled unqualified," and personnel records weren't even consulted in drawing up the list.

"Many strikers labeled unqualified had worked for the Doral hotels for over 10 years," the court noted. "Their only shortcoming was supporting the union."

The drawback in the decision, from the union's view, is that the appellate court reversed an NLRB finding that 36 employees of the Doral Beach Hotel who had picketed the hotel three days after the contract had been ratified were entitled to reinstatement. The court said their dismissal was legal and the no-strike provision of the contract was binding.

Local 355 Business Manager Al Gonzalez deplored the length of time the case took and the hardships that many of the illegally fired workers had to undergo.

But in the end, he said, justice was achieved.

# Struck storm sash producer added to labor's unfair list

Rusco Industries, Inc., a producer of storm windows and doors, has been placed on the AFL-CIO Unfair List, while Mapco Petroleum, Inc., has been removed from the list, Sec.-Treas. John Mara of the Union Label & Service Trades Dept. reported.

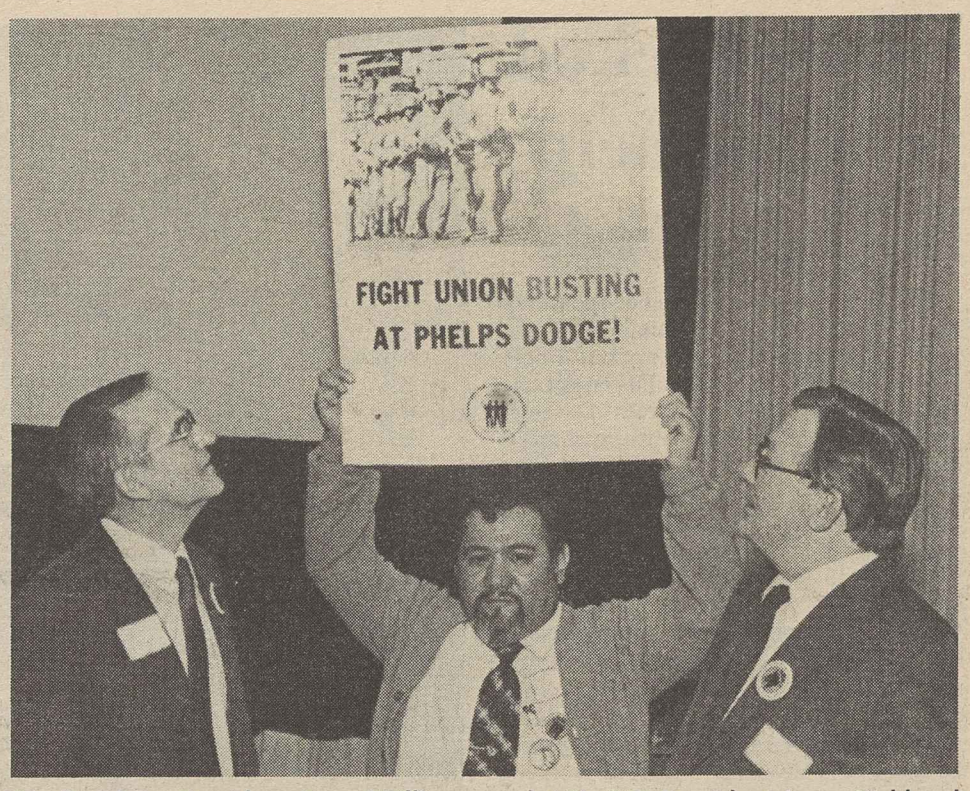
Local 562 of the Allied Industrial Workers has been on strike against Rusco's Cochranton, Pa., plant since Aug. 1, 1984, after rejecting a contract that would have cut wages and benefits by 15 percent, ended the cost of living adjustment, eliminated three paid holidays and reduced insurance coverage, pension programs and excused absences.

Rusco hired replacements within 48 hours after the strike was called and has been operating since with more than 100 scabs. The local is still awaiting a ruling on unfair practice charges filed with the National Labor Relations Board. Ironically, the federal government is the company's largest customer.

The Oil, Chemical & Atomic Workers requested that Mapco be removed from the Unfair List after Local 3-631 ratified a new three-year agreement covering workers at the company's Delta Refinery in Memphis, Tenn.

OCAW conducted a corporate campaign that included leafleting at Delta service stations, along with informational picketing in Memphis and Tulsa, Okla., site of Mapco's headquarters.

During negotiations a year ago, the company attempted to impose new work rules on the OCAW members, hoping to provoke a strike. The workers, however, remained on the job, demonstrating a strong spirit of solidarity during difficult times, OCAW President Joseph M. Misbrener said.




Steelworkers President Lynn Williams and AFL-CIO President Lane Kirkland back message displayed by Phelps Dodge striker Primo Martinez.

# *Copper strikers promised labor's unyielding support*

**Continued from Page 1**

trade union movement is all about, he declared.

The "We're Not Leaving" theme gave the title to the 15-minute video documentary that hushed the hundreds of union supporters crowded into the lobby of the AFL-CIO building.

It brought the sights and sounds of the long struggle into dramatic focus—whether in scenes of tear gas and hovering helicopters or the bitterness of old-time Phelps Dodge workers for a company that has never settled a contract without a strike.

"Because of the union tradition that we have," Local 616 President Angel Rodriguez says in the film, "we have something that Phelps Dodge doesn't have, we have each other."

The film, intended for strike relief fundraisers, closes with a rollcall of the unions joined in the struggle. Besides the Steelworkers are the Boilermakers, Machinists, Electrical Workers, Operating Engineers, Teamsters, Chemical Workers, United Transportation Union, Plumbers & Pipefitters, Carpenters, Railway Carmen, Painters and the Morenci-Clifton Metal Trades Council.

Si Kahn, whose strike support song was the musical theme for the film and echoed the words of the strikers, was on hand to sing it for the AFL-CIO gathering. This is how the refrain goes:

*"This is our home and we're not leaving.*
*These are our jobs and we won't go.*
*We stand together for our union.*
*This is our work,*
*This is our home."*

# U.S. trade deficit worsens as import tide keeps rising

**Continued from Page 1**

ing of U.S. trade imbalances in the months to come," he said. "Strong action must be taken by Congress to deal with the trade problems of particular industries, and improve the remedies for injurious trade practices.

"The overvaluation of the dollar must be curbed," Oswald stressed.

The January deficit was up from an $8-billion deficit in December as imports rose to $29.7 billion, the highest monthly figure since last September, the Commerce Dept. reported. Meanwhile, exports edged up to $19.4 billion, the highest monthly figure since September 1981.

Commerce Sec. Malcolm Baldrige said the trade deficit could hit a record $140 billion this year. Last year's deficit was a record $123.3 billion, compared with $69.39 billion in 1983, the previous record.

Oswald noted that the huge increase in imports in January continued to plague the manufacturing sector of the economy. He said the problem is "particularly serious" in industrial machinery, computers, autos, and similar durable goods.

Leading the import surge were telecommunications gear, electronic sound equipment, and passenger cars from Europe.

Steel imports rose 22.6 percent in January to 2.6-million tons, reflecting a surge in orders last fall to beat the Administration's new import quotas. Those restrictions recently took effect, but there is a three-to-four-month delay between orders and deliveries.

January steel imports from Japan rose 33 percent from the December level, while shipments from developing nations increased 52 percent.

While auto shipments from Japan were up 7 percent to 179,955 units, sales of cars from Europe climbed 66.3 percent to 44,817 units.

The trade deficit with Japan and Europe both showed large increases in January. The deficit with Japan rose to almost $3.7 billion, up almost $900 million from December, while the trade gap with western Europe widened to $2 billion from $1 billion the month before.

# Union-busters evade law to undermine collective bargaining

**Albany, N.Y.—Union-busting employers and their consultants threaten the future of collective bargaining, the Labor Committee of the New York State Assembly charged.**

**The committee report, based on hearings held last year, said that in today's "deepening anti-labor atmosphere," the right of workers to organize that is supposedly protected by the National Labor Relations Act is increasingly "being called into question."**

**It cited a "pattern of union-buster activity" reflecting the increased role of management consultants. And it warned that "if the activities of these consultants—which almost always evade the spirit and often the letter of U.S. labor laws—continue unregulated, then the rights of U.S. workers to bargain collectively will be in serious jeopardy."**

**The state committee, headed by Assemblyman Frank J. Barbaro, quoted from the letter sent to a Rochester, N.Y., firm by a consultant firm that promised a "custom-made counter-organizing campaign that will ultimately lead to the defeat of the union." It acknowledged that because of "severe competition in this field," some other attorneys or consultants might claim to offer lower fees for their services but asked the employer not to be "misled." It claimed the odds were 99-to-1 it would be successful in keeping a union out.**

**Increasingly, the legislature's committee found, employers have provoked strikes in order to replace union workers and bring about decertification of the union.**

**"The greatest abuse of the strike weapon today comes from management," the committee concluded.**

# Union-backed projects help fill job needs

Bal Harbour, Fla. — Labor-sponsored projects are opening up training and employment opportunities for workers whose jobs have been wiped out, officers of the AFL-CIO's Human Resources Development Institute reported at a trustees' meeting here.

Institute President Alan Kistler said HRDI is now administering a number of programs for dislocated workers on behalf of state and local central bodies, as well as continuing to provide technical assistance to both unions and central bodies.

Under the Job Training Partnership Act, states receive federal funds to allocate for job development and training projects. HRDI has undertaken statewide surveys to assess the needs of displaced workers, helped them in their job search and alerted them to training opportunities, Kistler said.

He noted that HRDI has also been involved in statewide efforts to spot potential plant closings and to set up quick-response programs to assist the workers affected.

AFL-CIO President Lane Kirkland, who serves as chairman of the HRDI board of trustees, said the institute has done "a great job" in responding to the needs of workers stranded by plant closings or heavy layoffs.

Kirkland warned, however, that HRDI's mission is endangered by funding cutbacks.

Executive Director Mike Arnold reported that the institute's ability to function will be seriously curtailed if Congress approves the funding cancellations. HRDI's mission, he stressed, is to help bring about maximum labor involvement in job training programs as a partner with business and government.

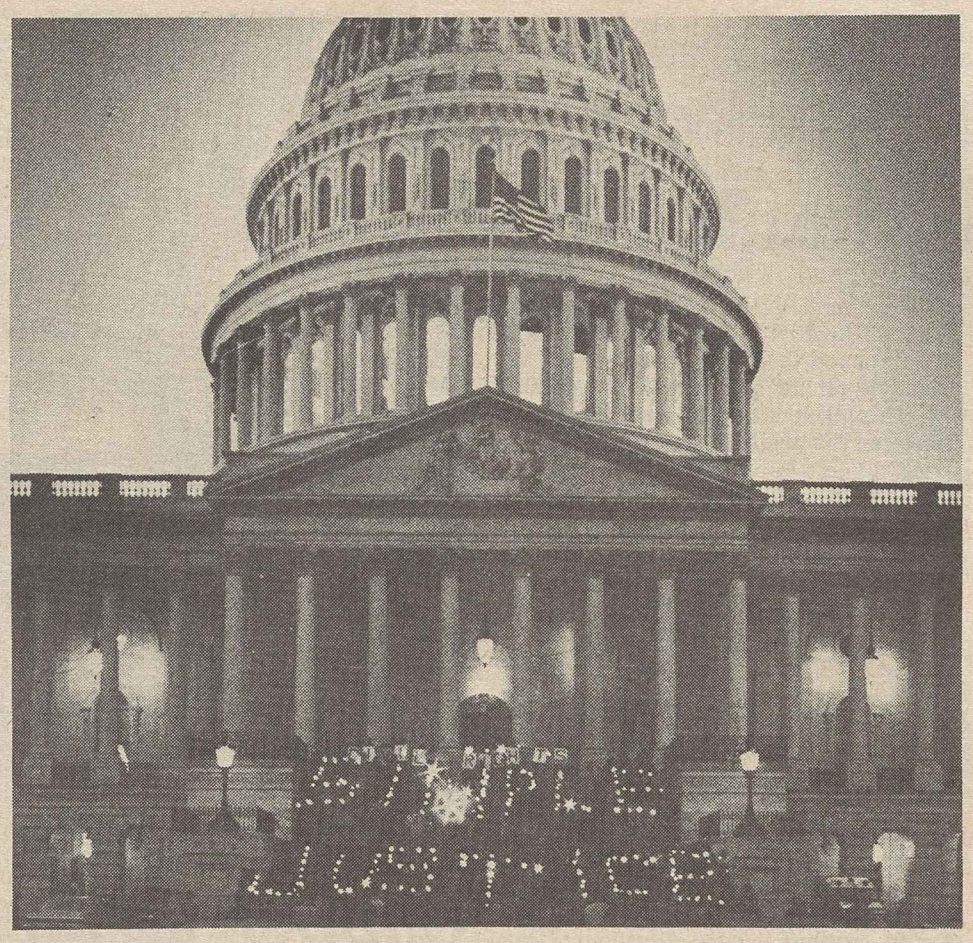
### New projects

Reports by Kistler and Arnold noted that HRDI helped develop 42 labor-involved programs for jobless workers last year and has a major role in programs under way or planned in eight states.

It has also:

- Furnished assistance and technical guidance to more than 1,000 labor representatives serving on JTPA state bodies and private industry councils that review plans for employment and training programs in their localities.
- Held leadership training seminars for unions setting up assistance programs for displaced members.
- Carried out a survey of 93 labor-involved programs in 40 states that were supported by JTPA funds.

Major projects involving HRDI are in Texas, Louisiana, Mississippi, California, New Mexico and New York, Arnold noted.




## Civil rights vigil

Union members join with other elements of the civil rights coalition in lighting up the steps of the U.S. Capitol with this "Simple Justice" message. The flashlight display was in support of legislation to remedy damage that a 1984 Supreme Court decision inflicted on enforcement of the nation's civil rights laws.

# Central America aid backing tied to principles of justice

Congress should substantially increase aid to Central America and insist that it be used in developing societies "which provide justice for their citizens," the AFL-CIO declared.

In a statement submitted to a House Subcommittee on Western Hemisphere Affairs, Executive Director William C. Doherty, Jr., of the AFL-CIO's American Institute for Free Labor Development called for legislation to carry out the recommendations of the National Bipartisan Commission on Central America.

The so-called Kissinger commission, on which Federation President Lane Kirkland served, recommended the creation of a Central American Development Organization (CADO) that would channel U.S. assistance to seven Central American countries — Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

The panel would be empowered to cut back aid to those countries that fail to comply with basic human rights and democratic guarantees. Legislation to establish CADO was introduced in Congress last year, but was not acted on.

Doherty — just back from a two-week tour of Central America as AFL-CIO representative on a factfinding mission of the International Confederation of Free Trade Unions — said the need for such legislation has not diminished in the past year.

He stressed that the AFL-CIO stands as firmly today as it did a year ago behind the principle of "conditionality" in the disbursement of foreign aid funds. The concept provides that all aid, particularly military aid, be conditioned on social, trade union, and political rights.

### Committed to change

Doherty said that meetings with heads of states and all segments of the trade union movement, human rights organizations and political parties on his recent trip convinced him that "the democratic labor movements of Central America and other democratic political forces are as committed to change as they were a year ago."

While supporting a regional, or multinational, approach to many Central American problems, the AFL-CIO favors a bilateral policy in the cases of El Salvador and Nicaragua, Doherty said.

"Both . . . have problems which require solutions before the rest of Central America can concentrate its energies on economic growth, justice, and political development," he said.

Most reasonable people question the motives and intentions of the Marxist-Leninist Sandinista dictatorship, "and the AFL-CIO is unaware of any case currently being made by responsible people which would indicate that human, political, and trade union rights would be improved by continued leadership of the Nicaraguan government," Doherty said.

### El Salvador gains

In El Salvador, on the other hand, the forces of democracy appear to be holding their own, he said.

"Few now believe that the Marxist-Leninist guerrillas can ultimately win," he said. "President (Jose Napoleon) Duarte continues to struggle for a national consensus. U.S. policy should be to aid him in this struggle.

"U.S. policy toward El Salvador, because of its persistence, is beginning to pay off. It would be a huge mistake, at this point, to slacken in our efforts to support this new democracy."



## Idaho petition drive

Idaho Fire Fighters President Robert Chase signs the first United Labor of Idaho petition calling for a referendum to repeal the state's "right-to-work" law. The petition drive was launched simultaneously at the state capital and seven other locations across the state. In the first weekend, it drew more than 3,000 of the 32,666 signatures needed to put the measure on the 1986 general election ballot. Enforcement of the law, enacted Jan. 31, remains blocked pending outcome of court challenges brought by the Idaho AFL-CIO.

# Auto industry unions warn of layoffs ahead

**Continued from Page 1**

of the loss of America's lead in important technologies related to auto manufacture."

Bieber called the move "a severe blow to the recovering U.S. vehicle industry and especially to the 2.5 million Americans and their families whose livelihoods depend directly on a healthy auto sector."

In a telegram to Reagan, Bywater noted that the pullback on quotas came a day after the government reported that surging imports from Europe and Japan widened the U.S. trade deficit to $10.3 billion in January.

"IUE deplores your decision," Bywater said. "The shocking January trade figures demonstrate that the U.S. should not permit unrestricted imports of Japanese cars or any other product."

### Market share

The voluntary agreement has been in effect since 1981. In the current 12-month period, which ends Mar. 31, the ceiling on Japanese car imports was set at 1.85 million units, or a little under 20 percent of the domestic market.

With lifting of the VRA, Data Resources, Inc., predicted in a recent report that 1985 Japanese sales in the United States will reach 2.2 million units. Other estimates of the number of additional cars that might come in have ranged as high as 1 million.

The Administration's rationale for removal of the quotas is that the American auto industry has sufficiently recovered from years of depressed sales to compete in the open market with unrestrained Japanese imports.

U.S. auto companies, however, while noting they have come a long way, pointed out that the continuing decline of the yen compared with the dollar, together with certain Japanese tax practices, has nullifed their progress in competing with Japan.

Bieber said the UAW will step up efforts for legislation mandating a certain level of local content in cars sold in the United States, or for a newer proposal linking import totals to trade deficits.

"Most important, the UAW will continue to insist that U.S.-based auto companies keep jobs and production here where their market is, rather than rush into foreign sourcing of cars and components."

A domestic content bill along the lines of that sought by the UAW was reintroduced in the House by Rep. Dennis Hertel (D-Mich.). Auto content legislation passed the House twice before, but did not get through the Senate.

# UFCW's growth linked to bypass of labor board

Organizing strategy designed to bypass National Labor Relations Board involvement helped the Food & Commercial Workers add more members in 1984 than any year in its history, UFCW President William F. Wynn said.

The UFCW reported that it organized 65,248 new members last year, compared to 58,841 in 1983.

The NLRB has been "converted to an anti-union, anti-worker agency by the Reagan Administration," Wynn charged. He said that "We've told our organizers and lawyers to find ways to organize without going through the board, so we can avoid the interminable delays it creates."

To do that, Wynn said, the union has returned to "old-fashioned, hard-nosed organizing" that includes informational picketing and protests against non-union firms that don't pay area standard wages. It seeks voluntary recognition through card checks and uses corporate campaigns, billboards, handbilling and radio and television ads.

# EDITORIALS

## Common Ground

THE FARMER-WORKER alliance that has been a force for progress during much of this century has been revived and strengthened by President Reagan's harsh veto of the farm assistance bill.

The President made clear that he considers farm families burdened by debt and high interest costs as another "special interest" out to upset the social Darwinism of his budget priorities.

Reagan's veto message, bluntly put, was "Drop Dead!"

That's the same message his Administration has given to workers threatened by a torrent of job-destroying imports, to the poor and homeless, to students and to the elderly.

In the plains states of the Midwest, where corporate agriculture has not yet displaced efficient family farms, the farmer-worker ties of yesteryear have never been completely severed. When Minnesotans refer to the party of Hubert Humphrey and Walter Mondale as the DFL, it is a reminder of the historic merger that Humphrey helped bring about between the Democratic Party and the state's progressive Farmer-Labor Party.

Some 14,000 midwestern farmers made their way to Ames, Iowa, the other week to give voice to their disenchantment with the Reagan Administration. The sponsors of the rally included groups that have stood with the labor movement on other issues, such as the National Farmers Union, the American Agriculture Movement, the National Catholic Rural Life Committee and the National Rural Electric Cooperative Association.

ONE OF THE speakers, a farm woman from Colorado, spoke of the desperation that has gripped farm and ranch families and appealed to "urban America to join us in a plea to President Reagan to change the current philosophies he and his Administration are following."

Farm equipment workers, who bridge both worlds, know the mutual dependence of farm and factory. A speaker from Rock Island, Ill., cited the decline in the union workforce at the International Harvester tractor factory there from 3,800 in 1980 to 250 now.

The same artificially high exchange value of the dollar that makes it difficult for even the most cost-efficient U.S. goods to compete against imports has priced U.S. farm products beyond the reach of potential world markets. Yet American agriculture remains the most productive in the world.

Not every position of workers and farmers coincides. But both groups have been so battered by the Reagan Administration's policies that it's not hard to find common ground.

## Remembering Selma

TWENTY YEARS ago, the civil rights march through Alabama, from Selma to Montgomery, was the catalyst for passage of the Voting Rights Act, which unshackled the ballot box for millions of black Americans.

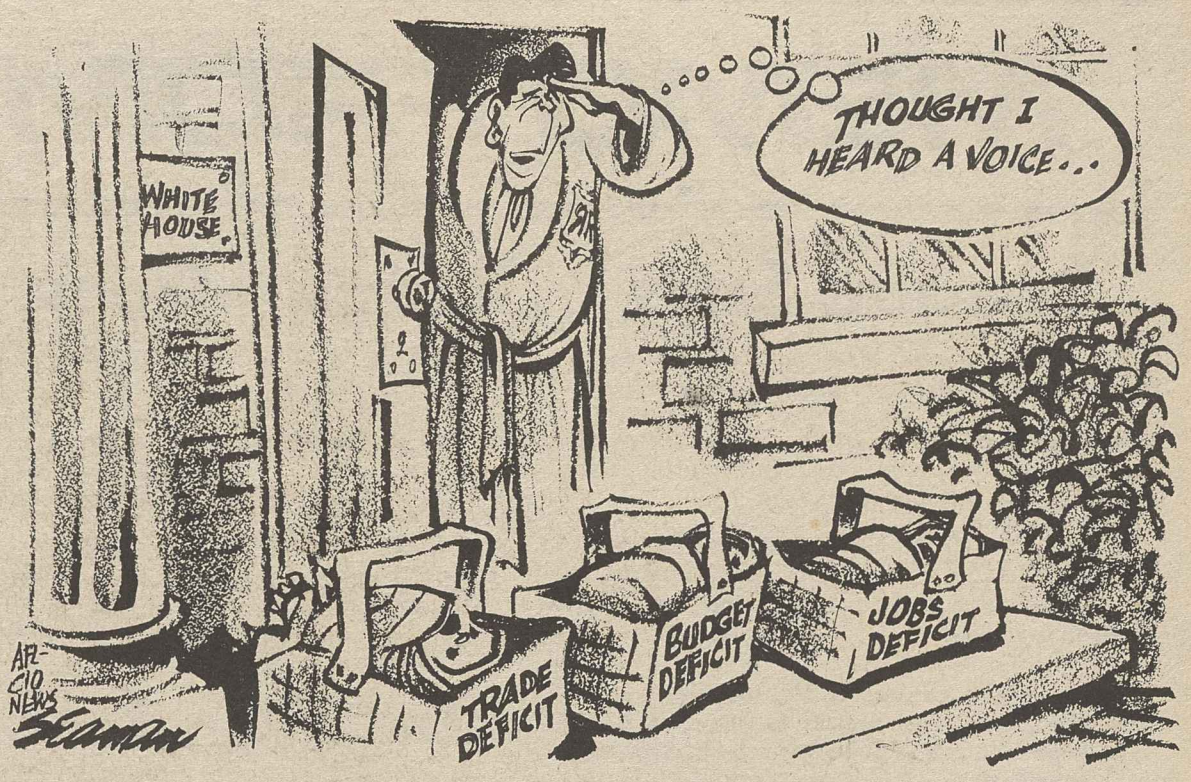
AFL-CIO Civil Rights Director William E. Pollard, who marched the route 20 years ago, was back in Montgomery Mar. 7 for the anniversary observance.

The labor movement was there in 1965, he noted, with some 17 AFL-CIO unions in the line of march.

And "labor is here in 1985 to give witness to our continuing commitment," Pollard stressed.

"The battle for equal rights is as ongoing as it was two decades ago." As for the AFL-CIO, its dedication "to equal justice, equal rights and equal opportunities" has not diminished over the years. The labor movement enlisted in the civil rights coalition for the duration.

Rights, once achieved, must be defended. A damaging Supreme Court decision must be rectified. An indifferent Administration must be prodded.




**Washington Window**

# Reagan wants more cuts as hunger epidemic rages

**By Press Associates, Inc.**

During its first term, the Reagan Administration slashed $12.2 billion from federal food stamp and child nutrition programs.

Shortly after the first food program cuts were steamrollered through Congress, the nation entered the deepest recession since World War II.

Those managing private food programs reported during the 1981-82 recession that they were swamped with a massive influx of the unemployed and poor seeking food for themselves and their families and that they had to turn people away.

President Reagan and other Administration officials shrugged off those reports as "anecdotal" and kept saying economic recovery would solve any problems.

Even after the spotty recovery, reports continued nationwide from social workers, private food programs and physicians of widespread hunger and its effects on health.

A survey by the non-profit Food Research & Action Center (FRAC) found that the demand for food from private programs increased some 21 percent from 1983 to 1984. Field hearings conducted by Sen. Edward Kennedy (D-Mass.) last fall made similar findings.

### Worsening problem

Most recently, a 10-month study by the 22-member Physician Task Force on Hunger, which includes prominent doctors and public health experts around the country, concluded that "hunger is a problem of epidemic proportions across the nation" and "is getting worse, not better."

The physicians' report said evidence indicates up to 20-million Americans may be hungry at least some period of time each month.

Even though all the reports on hunger link its rise directly to the Reagan recession and budget cuts, the Administration now wants to cut another $800 million from federal food programs. According to analyses by FRAC and other anti-hunger groups, this is how the cuts would fall:

- School lunch and breakfast programs would be cut by $550 million by freezing food price inflation adjustment for free and reduced-price meals in school nutrition programs and the milk program and by eliminating all federal subsidies for meals for moderate-income children. FRAC said schools rely on federal subsidies for all children to maintain the programs.
- The child care food program for 250,000 children in family day care homes and 750,000 children in child care centers would be cut by 30 percent.

### Sharp cutback

- An estimated 100,000 women would be cut from the women, infants and children special supplemental food program (WIC). WIC, which has been recognized as one of the most effective anti-hunger programs, currently serves only one-third of those eligible because of limited funding.
- The $50-million Temporary Emergency Food Distribution & Shelter Program, which helps private food programs obtain and distribute food to the needy, would be eliminated.
- Title III services and meals for the elderly would be frozen at current levels, which would cause fewer elderly below the poverty level to be served as inflation shrinks the number served. The program now serves about 43 percent of eligible poor seniors.
- The food stamp program, which was cut by some $7 billion from 1981 to 1985, would be frozen at current levels of about 20-million recipients of the 35-million poor eligible .However, the Administration has recommended mandatory workfare for employable recipients and a cap on state administrative expenses, which together would shift considerable extra costs to the states.

Although these proposed cuts seem small compared to past years, they demonstrate that the Administration is callously continuing in the wrong direction. Evidently, the President's "second American revolution" means letting 20-million Americans go hungry.

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# MEMO FROM COPE

## Reagan Says . . . Reagan Does *(and often the twain don't meet)*

*(From last months of Reagan 1984 re-election campaign and first month of second term)*

**REAGAN SAYS:** In October 1984 at University of Alabama, "we have no intention of reducing" loan programs for college students.

**REAGAN DOES:** His budget seeks sharp cuts in amount students can borrow per year for their college education and a family income ceiling for a student to qualify.

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**REAGAN SAYS:** In September campaign appearance, "we can make further budget cuts without affecting how much actually goes to the needy."

**REAGAN DOES:** His own Administration estimates programs for the poor will be cut by five percent. Others claim the figure will be even higher—this on top of huge gouges from programs for the needy in 1981-82.

* * * * *

**REAGAN SAYS:** Campaigning in Buffalo at dedication of federally funded apartment complex for elderly and handicapped, the project is a "truly great thing."

**REAGAN DOES:** His budget proposes *no funding* for the next two years for the program that made the project possible.

* * * * *

**REAGAN SAYS:** Any revisions in Medicare would not be "in restricting the patient" but would instead aim at controlling hospital and doctor costs.

**REAGAN DOES:** In addition to limits on costs, he now proposes Medicare patients be required to pay more for their care. He also calls for a multi-billion-dollar retreat from Medicaid for the needy.

* * * * *

**REAGAN SAYS:** In October, on a major environmental concern, "we have now budgeted for going back to purchasing land for parks" for the recreation and enjoyment of Americans.

**REAGAN DOES:** His new budget proposes a three-year moratorium on "discretionary acquisition of recreation lands."

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**REAGAN SAYS:** In September, veterans would continue to receive "benefits to which they're entitled," implying at least continuation of benefits at present levels.

**REAGAN DOES:** He now proposes a means test that would deprive scores of thousands of veterans of benefits for which they are now eligible.

* * * * *

**REAGAN SAYS:** Repeatedly throughout campaign claims he will protect programs that help hard-hit farmers hold on to their land, in August specifically promising the Farmers Home Administration (FmHA) "will continue reaching out to help tens of thousands of farm borrowers hold on to their farms and stay in business."

**REAGAN DOES:** His new budget proposes major cutbacks in the FmHA program, and negotiations between his Administration and farm leaders and farm-state officials fail to provide the relief farmers need. In addition, he's called for king-sized slashes in farm price supports. Most recently, he vetoed legislation aimed at assisting debt-plagued farmers.

(Estimates of impending family farm failures in the absence of adequate help range from 20-30 percent of the approximately 640,000 small growers. It would be a calamity for those in agriculture almost equal in numbers to the job wipe-outs in recent years in auto, steel and other basic industries. Some of the harshest criticisms of the Administration come from Republicans. On the farm issue, said one, "the Administration has bungled.")

* * * * *

**REAGAN SAYS:** Throughout 1984 campaign, he can slash his record budget deficits by the simple device of economic growth.

**REAGAN DOES:** His budget proposals call for substantial-to-massive cuts in dozens of key programs—mass transit, education, agriculture, health, housing, employment—you name it (see below). He no longer talks of economic growth being sufficient by itself to curb deficits.

* * * * *

**REAGAN SAYS:** On the day after election, he would "not go along with the idea that the only way you can cut spending is to eliminate or reduce some programs."

**REAGAN DOES:** Following is the money projected three-year cuts and freezes will withhold from a variety of federal programs (in billions of dollars):

| | | | |
|---|---|---|---|
| Medicaid | $ 6.3 | Agriculture | $26 |
| Medicare | $18.5 | Job Corps | $ 1.3 |
| Student aid | $ 3.9 | Revenue sharing | $12.5 |
| Veterans care | $ 2.4 | Mass transit | $ 4.2 |
| Child nutrition | $ 2.5 | Health training | $ 0.5 |
| Housing | $13.8 | Small business | $ 5.4 |

## 'Our Kids Will Pay for This Folly'

*The following is from a recent column by David Broder, Washington Post political commentator:*

. . . There's nothing in the Constitution that requires a President to advertise calamity. So Reagan, like his predecessors, hid it away, deep in the thickets of (his) budget document. . . .

I'm going to put down a series of numbers for you to look at: 32.3; 36.7; 49.5; 65.8; 67.6; 111.1. Here are four more: 130.4; 142.6; 152.9; 159.2.

**I'm not trying to be mysterious. The numbers measure the annual interest payments on the national debt. Put a dollar sign in front of them. Put a billion behind them. What they describe is a runaway locomotive.**

The first six numbers, running up from $32 billion to $111 billion, represent the actual increase in the annual interest payment between 1979 and 1984. (Only the last number is included in Reagan's budget.) It's more than tripled.

The next four numbers, jumping from $130 billion to $159 billion, are Reagan's projection of the annual interest payments in the next four years.

Note two things: first, the rate of increase slows, because Reagan's budget assumes that "the 91-day Treasury bill rate (a key to the rate of interest the government pays) will decline steadily from an average of 9.6 percent in calendar year 1984 to 5.9 percent in 1988." Set aside that blue-sky forecast and annual interest payments zoom to the $200 billion range.

Note, too, that even under Reagan's optimistic forecast, annual interest payments will have quintupled—multiplied by five—in 10 years.

And they will continue to soar because under Reagan's budget, if every single one of his savings proposals is accepted by Congress (fat chance!) he would have us increase the federal deficit by $144 billion in 1988 and add proportionally to the annual interest bill.

**The point is not complicated; it's just one Reagan wants to keep secret: The deficit is eating us alive; it's running away with us. And it can't be cured on the spending side, even if you swallow all Reagan's medicine.**

This is no big discovery on my part. Last September, Sen. Daniel P. Moynihan (D-N.Y.) wrote that, "The interest deficit has begun to go out of control. In 1980, the Treasury spent $52 billion in interest payments. This year, the bill will reach $111 billion. By 1989, $214 billion. . . . What Lord Keynes called the "magic of compound interest" works with debt as well as with savings. It starts slowly, then explodes.

That explosion is now happening. It will occur whatever Congress does with Reagan's proposed budget cuts—even if Congress accepts them all.

It will go on until it ravages the value of the dollar, unless—unless someone has the courage to say we have to pay for the amount of government services we get. Unless someone says, "Raise taxes."

Reagan won't, because he promised not to. The Democrats won't, because Walter Mondale did, and he lost 49 states. I am a political reporter, and I understand political realities. But I can also add and subtract. And since I'm not running for anything, I can tell you what the politicians won't: taxes have to go up. . . .

**If the cost of a weapons system or a welfare program were quintupling, everyone would say it was out of control. But interest payments are quintupling in a decade—and almost every politician looks the other way. . . .**

But Reagan says taxes must not be raised, and Reagan won 49 states, so that settles the matter.

We have a President who believes in traditional values. All but one: he doesn't believe in paying his bills. And the Democrats are too scared to challenge him.

Our kids will pay for this folly.

## Quiz Time: Who's Your State Rep? (It Pays to Know)

Quick . . . who's your state representative?

Or your state senator?

One will get you two you don't know. Most of us don't. But we ought to take the trouble to know who they are and what they stand for—and when the time comes, vote accordingly. An example why:

Recently, the Idaho legislature passed a right-to-work-for-less law. It then overrode the governor's veto to make it stick.

Enactment of the law was dated in January.

But it as good as passed on November 6, election day 1984. That's the day the state legislature was made RTW-prone. On that day, voters replaced seven Democratic state senators with seven conservative Republicans, leaving that body 28-14 GOP, exactly enough to override a veto on straight party-line voting.

At the same time, voters in Idaho dumped 16 Democrats in the lower house, changing the balance to 67-17 for the GOP. At its previous 51R-33D, a straight party line vote would have upheld a gubernatorial veto. All that's water over the dam.

But in other states, similar situations may arise in the next couple of years, and for-less promoters are counting on legislative gains to help them knock over more states.

Colorado is one such state. GOP gains last November of three in the senate and seven in the house built advantages of 24-11 and 47-18 respectively. In Colorado, unlike Idaho, however, not all GOP legislators can be counted on to back for-less, or to vote to override a veto.

Right now, Democratic Governor Richard Lamm presides. But he has announced he won't run again. A combination of a GOP governor and additional legislators committed to for-less elected in 1986 would put the state within reach of the open-shoppers. So, what do you think they're going to do between now and then?

New Mexico often has teetered on the brink of passage of an open shop law. More than once, only a governor's veto stopped it. The present Democratic governor, Tony Anaya, can not succeed himself. A Republican gubernatorial victory in 1986, with GOP legislative gains, would put the state on the priority list of the Right to Work (for less) Committee.

In Indiana, too, for-less always looms as a possibility. The state once had the law but repealed it. Presently, a proposal is in the state legislature to apply open shop to teachers. If successful, it would undoubtedly be the foot in the door for a full-scale open shop law after 1986 elections.

The sitting GOP governor is not up until 1988. The GOP at present has a 3-2 edge in both houses. It would take only modest Republican gains in 1986 to forge a solid pro-open shop vote.

So . . . who's your state representative and who's your state senator? And where do they stand on open shop and other issues important to working people?

It pays to know.

AFL-CIO news

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# 2 nominated for seats on Labor Board

President Reagan has moved to fill the two vacancies on the National Labor Relations Board with another management lawyer and a career NLRB attorney.

Reagan announced the nominations of Marshall B. Babson, a partner in a New Haven, Conn., law firm, and Wilford W. Johansen, director of the NLRB's Region 21 in Los Angeles. They would fill vacancies that have left the five-member board short-handed since the fall of 1983.

Babson represented Leon's Restaurant in New Haven during a bitter 1983 strike by waitresses seeking recognition of the Hotel Employees & Restaurant Employees as their bargaining representative. The strike, which began Nov. 29, 1983, was settled early last year without agreement on recognition. His law firm, Wiggin & Dana, also is local counsel for Yale University, whose dispute with HERE over white collar salaries and pay equity was settled early this year.

Babson, 39, is a Democrat, but worked for Reagan's election in 1980 and 1984. He also worked briefly for a San Francisco law firm that represented employers in labor disputes. He was nominated to succeed Don A. Zimmerman for a term ending Aug. 27, 1988.

### Career man

Johansen, 56, first joined the NLRB legal staff in 1958 and has been Region 21 director since 1971. He was acting general counsel of the NLRB from Apr. 27 to Oct. 12 of last year, after which Reagan named Rosemary Collyer as general counsel in a recess appointment. Johansen is a political independent and is regarded in both labor and management circles as a skilled profesisonal.

The current board members—all of whom were appointed by Reagan—include two other former management attorneys, Chairman Donald Dotson and Patricia Diaz Dennis. The third member is Robert P. Hunter, who came to the NLRB after service as chief counsel and chief of staff for the Senate Labor & Human Resources Committee under Sen. Orrin Hatch (R-Utah). Collyer, the general counsel, also was a management attorney.

The AFL-CIO has protested both the delay in filling the NLRB vacancies as a principal cause of the heavy case backlog and Reagan's stacking of the board in favor of employers. Federation President Lane Kirkland last May charged that the Administration had gone "beyond the bounds of decency" in its NLRB appointments. Kirkland noted that past administrations, both Democratic and Republican, "had pretty well observed" an understanding that NLRB appointees wouldn't be active partisans of unions or management.

# Put nation's needs first, labor tells budget panel



At House budget hearings, AFL-CIO Sec.-Treas. Thomas R. Donahue with Legislative Director Ray Denison and Research Director Rudy Oswald, right, and Legislative Rep. Peggy Taylor.

## *Donahue hits moral gap in Reagan plan*

**By David L. Perlman**

The AFL-CIO branded the Reagan Administration's budget morally as well as fiscally unbalanced and called on Congress to substitute its independent assessment of national needs and priorities.

"Ask first what the nation needs," AFL-CIO Sec.-Treas. Thomas R. Donahue urged at a House Budget Committee hearing.

The one thing the United States can't tolerate is continued massive unemployment, Donahue stressed. Yet "the President's budget would destroy more than a half-million jobs," he said, and "many times more" are being wiped out by the Administration's monetary and foreign trade policies.

The Budget Committee, which is responsible for a resolution setting spending levels and revenue goals, met in an unusual night session to hear Donahue and leaders of business groups.

Donahue presented the economic program shaped by the AFL-CIO Executive Council last month and stressed in his remarks the concept of government "as an instrument created to advance the interests of all our citizens."

### Citizen needs

Americans "look to their government to provide for the nation's security," he said. But they also expect government to concern itself with health, education, opportunity for its citizens—and "to alleviate distress that individuals cannot cope with."

The men and women who make up the trade union movement "do the nation's work, fight its wars and pay most of its taxes," Donahue said. The movement they built speaks not just for those with jobs but "for all who want to work and for all who can no longer work."

President Reagan's budget does not ad-

**Continued on Page 3**

# Jobless duration longer as rate hovers at 7.3%

**By James M. Shevis**

A slight drop of one-tenth of 1 percent in the civilian jobless rate to 7.3 percent in February left 8.4 million persons still without work and pointed up the continuing problems in the manufacturing sector.

While employment in the service-producing sector grew by 255,000 jobs, there was a loss of 75,000 manufacturing jobs and an unusually large drop in the factory workweek, to 40 hours from 40.6.

Although the declines in the goods-producing industries were pervasive, they were felt mainly by workers in the auto industry, which sustained a loss of 25,000 jobs over the month. Auto employment levels had been particularly strong in recent months.

Elsewhere among durable goods industries, large declines occurred in the lumber and wood products, machinery and fabricated metals industries, the Bureau of Labor Statistics said in a report.

By historical standards, last month's 7.3-percent jobless rate was still high. Between the Great Depression of the 1930s and 1975, unemployment never climbed so high even at the trough of a recession.

The BLS unemployment rate understates the true extent of joblessness because it does not take into account the number of discouraged workers holding part-time jobs because they are unable to find anything better.

The Full Employment Action Council said that if these groups of workers are included, the real unemployment rate in February was 12.9 percent.

The February report on joblessness showed a rise in black unemployment. While the jobless rate for white workers dropped slightly, from 6.4 to 6.2 percent, the unemployment rate for blacks surged

**Continued on Page 6**

**LEGISLATIVE ALERT!**

PAGE 8

## Long-term unemployed

# 400,000 facing loss of benefits

Nearly 400,000 long-unemployed workers will be cut off from benefits at the end of March unless Congress extends the Federal Supplemental Compensation program, AFL-CIO Legislative Director Ray Denison reminded members of the House Ways & Means Committee.

Denison's letter to committee members noted that the duration of unemployment has continued to rise even though there has been little change in the overall jobless rate in recent months. But the percentage of unemployed workers jobless for 27 weeks has gone up from 14.6 in January to 16 percent at latest count.

For most workers, the federal program is the only recourse after exhaustion of the usual 26-week maximum for state benefits, Denison noted. Only Alaska, West Virginia and Puerto Rico still provide the additional 13 weeks of combined state-federal benefits that helped bridge the gap in previous years.

The federal FSC program provides an additional eight weeks of benefits in most states, with up to 14 weeks in the highest-unemployment states.

In the Senate, the spotlight was on the Budget Committee's attempt to reshape President Reagan's proposals into a more palatable package.

### Narrow edge

Republicans hold a 12-10 majority on the committee. But there were only four votes for a motion to approve the Reagan budget.

The committee began with a series of preliminary votes that included bipartisan rejection of Reagan's call for a pay cut for federal workers and a military spending increase substantially less than that which the President had sought.

But with the total cuts below a deficit reduction target and Reagan forcefully declaring his intent to veto any tax increase, committee Republicans caucused and decided to push through their own package, even though it contained provisions unacceptable to Democrats.

It includes a freeze on social security benefits, eliminating the cost-of-living increase next year. It would cut Amtrak subsidies, mass transit aid, revenue-sharing and urban development grants — but not as drastically as Reagan had sought. Agricultural supports would be kept at current levels, $6 billion over Reagan's budget.

The package was pushed through by an 11-9 vote, but further changes are likely before a resolution is brought to the Senate floor.

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3/16/85



# A cool, cool gig

In a raging March snowstorm, an octet of jazz veterans from New York Musicians Local 802 puts on a protest concert to get the city's outdated cabaret law rescored. Legislation is pending before city council to eliminate a 15-year-old ban on certain instruments as being "too loud" for live performances in restaurants. From left, Benny Powell on trombone, Howard Ousley on saxophone, Bill Crow on bass, Richard Wyands on electric piano, Warren Chiasson on vibraphone and AFM Local 802 Business Rep. Pedro Rodriguez on umbrella.

# *Endowment for Democracy bolsters free trade unions*

The National Endowment for Democracy has enabled labor, business and other non-government groups to aid in the development of democratic institutions in other countries, and should be reauthorized, the AFL-CIO urged Congress.

Endowment funding, begun last year, has given American labor the opportunity to support struggling democratic unions in ways that would not otherwise have been possible, Executive Director Eugenia Kemble of the AFL-CIO Free Trade Union Institute told a House Foreign Affairs subcommittee.

"We believe that such support for democratic unions is support for democracy itself," she said. The subcommittee, chaired by Rep. Daniel Mica (D-Fla.), is considering an Administration request for a $31.3-million authorization for the coming fiscal year, including $13.8 million earmarked for the Free Trade Union Institute.

In a statement submitted to the panel, Kemble said that endowment-funded programs provide a new and different approach to safeguarding and promoting human rights.

### Current policy

"The United States posture on human rights has concentrated on economic sanctions, military aid cutoffs, expressions of outrage, and loan denials as ways of pressuring governments whose democratic and human rights standards we abhor.

"While these are often useful techniques, we have largely ignored their fundamental complement—the ability of private domestic groups in these countries, particularly labor, business, and political parties, to develop the power to obtain basic rights and to protect them once they are granted.

"Certainly, the commitment of public funds to such private needs is in our own national interest as well as in the interest of democracy," she said.

Without free trade unions, Kemble stressed, governments can easily ignore their promises and rule arbitrarily and undemocratically. Thus, American labor's help to aspiring democratic unions abroad is consistent with NED's larger purpose of building democracy, she said.

Not only do democratic unions in other countries need help just to enable them to consolidate and grow, but they also need it to compete effectively with international efforts to subvert democratic trade unionism, Kemble warned.

The Free Trade Union Institute is beginning the work of establishing a trade union rights monitoring apparatus to collect data on government efforts to intimidate unionists the world over, Kemble said.

### Aid to unions

In countries where democratic unions face challenges from hostile governments or rival anti-democratic unions, FTUI has provided assistance for those unions to carry on, she said. Technical assistance, plus transportation and communication help, have gone to free unions in Chad, Cyprus, Fiji, Papua New Guinea as well as in Chile, Portugal, Poland and elsewhere.

Other funding has helped groups in Latin America and the Philippines seeking to promote democratic principles and has assisted trade union exiles.

"All such FTUI activities are supported only in response to initiatives taken by host unions," Kemble stressed. "All comply with the laws of host governments. All conform to the NED policy that no funds be used to finance the campaigns of candidates for public office."

Kemble noted that all of these efforts have been carried out with more limited funds than the existing authorizing legislation intended. While the same amount, $31.3 million, was budgeted in fiscal 1985 as is now sought in fiscal 1986, Congress appropriated only $18.5 million overall for the Endowment last year.

# Printing unions cancel merger vote

The Typographical Union and the Graphic Communications Union canceled a scheduled Apr. 10 referendum on a proposed merger. The ITU executive council called off the referendum after the GCIU executive board voted against the merger proposal.

ITU President Robert S. McMichen said he was disappointed at the GCIU action, but he stressed that the ITU is financially sound and said the development will not affect the union's ability to represent and serve the needs of its 74,000 active and retired members.

The ITU leadership will be considering further options in the weeks ahead, McMichen said.

The AFL-CIO also expressed regret at the development. "But it does not change our commitment to help the unions in the printing trades to better represent their members, which we think can best be accomplished by merger within the national house of labor," the federation said.

# Macy's store pact brings gains for 6,000 in RWDSU

New York — Some 6,000 members of the Retail, Wholesale & Dept. Store Union approved a new four-year contract with R. H. Macy & Co. providing substantial increases in wages and benefits.

The agreement, ratified by a vote of 12 to 1, gives members of RWDSU Local 1-S a $20 weekly pay hike retroactive to Feb. 1, and weekly raises of $15 in each remaining contract year, for a total of $65 a week over term. The contract covers workers at Macy's stores in New York City and White Plains.

Other highlights include increases in pension benefits and insurance coverage and a new prescription drug maintenance program. All company giveback proposals were successfully resisted.

Employees who retire with 10 years' service now will receive a minimum pension of $47.50 a month. Those with 30 to 40 years of service will draw minimum benefits of $10 a month per year of service with a maximum of $400 a month, up from $8.50 and $340, respectively.

Major medical health coverage was raised from $50,000 to $75,000. Group life insurance was increased from $3,000 to $4,000. Employees will receive a second optional holiday annually.

# Postal budget slash termed threat to union publications

One of the cuts the Reagan Administration is demanding in the domestic federal budget would have a devastating effect on the nonprofit press—including the publications of labor, religious, veterans and farm groups—the International Labor Communications Association told Congress.

The cuts would eliminate all federal support for nonprofit second- and third-class postal rates along with discounted rates for publications mailed to subscribers located in the same county.

For the labor press, the cuts would mean immediate increases in mail costs of 95 to 175 percent, the ILCA said in testimony submitted to the House Subcommittee on Postal Operations & Services.

The proposed hikes would come on top of increases in rates for nonprofit publications in recent years that have been higher than those for any other class of mailer, ILCA President Robert J. Kalaski and Sec.-Treas. James M. Cesnik pointed out. They urged Congress to appropriate the full amount necessary to continue the limited postal subsidy for nonprofit groups.

Representatives of other nonprofit mailers voiced similar opposition to the Reagan proposal. So did representatives of some for-profit mailers.

The earlier increases caused many labor papers to curb their frequency and size and others ceased publication, Kalaski and Cesnik stressed.

For Congress to cave in to the Administration's demand would be another step toward limiting First Amendment rights to the price of stamps, ILCA said.

The higher postal rates would undermine the intent of Congress to encourage the free and open exchange of information and differing points of view, they pointed out.

Noting that a portion of the subsidy was mandated by Congress in 1974, the ILCA said the labor press views that legislation as "a contract between the Congress and the nonprofit press that was signed by the President."

# ILO rebuffs Soviet bloc on worker rights

Geneva—Soviet objections failed to deter the International Labor Organization from going ahead with plans for a study seeking better ways of setting international standards for protecting the world's workers.

The Soviet government had sought unsuccessfully to get the ILO Governing Body to direct the 40-member review committee to consider changes in the procedures for checking on compliance with ILO standards by member countries.

The Communist bloc has contended that ILO investigations of worker rights violations in countries such as Poland represent unacceptable "interference" in the internal affairs of sovereign nations.

At a news conference announcing his country's refusal to take part in the study, Soviet delegate Leonid Kostin cited as an example of such "interference" the condemnation by an ILO commission of inquiry of the Polish government for having banned the Solidarnosc free trade union movement and its leaders—in violation of Poland's commitments under the ILO's freedom of association convention.

AFL-CIO International Affairs Director Irving Brown, who is the U.S. worker delegate to the ILO Governing Body, said the overwhelming majority of ILO members had clearly rejected communist attacks on the monitoring of worker rights.

The majority sentiment in the ILO, he said, is that standard-setting is the organization's most important function and the ILO's watchdog role should be improved, not weakened.

### Soviet protests

The USSR's Kostin also protested that a committee on which Brown represents the worker delegates had bottled up Soviet proposals to involve the ILO in debates on "peace and disarmament."

Brown, addressing the Governing Body, stressed that the ILO is fully committed by its constitution to promote peace by working for social justice. It should continue on this course, he urged, and not attempt "to do the work of the United Nations."

The Governing Body approved a proposal by ILO Director Francis Blanchard to convene a special meeting of experts on chemical and other industrial hazards in the wake of the disasters at Union Carbide's plant at Bhopal, India, and a gas plant in Mexico City.

Expert guidance will be sought on safety precautions in hazardous industries and on the production and storage of chemical products.

# *Court cracks down on anti-union 'persuaders'*

Cincinnati — Management lawyers who try to "persuade" workers to reject union representation must file disclosure reports required by the Landrum-Griffin Act, the 6th Circuit U.S. Court of Appeals ruled here.

Its decision was a setback to a Chattanooga, Tenn., law firm hired by Southern Silk Mills, Inc., to help beat back a 1977 organizing effort by the Clothing & Textile Workers.

The law firm of Humphreys, Hutcheson & Moseley didn't deny its activist role in the campaign, including captive audience speeches by two of the partners to groups of workers. But it said the reporting requirements weren't applicable because the speakers had been properly identified as company attorneys and no "covert" activity was involved.

One attorney's speech, quoted in the appellate court decision, referred to the union as "a company of infidels" led by "New Yorkers" whose only interest in coming "down here" was "taking money out of people's paychecks" for union dues.

The appeals court's 3-0 decision rejected the argument that Congress intended only to force disclosure of covert activity by persons hired to influence workers.

### 'Suspect' activity

Congress considered all persuader activity as "suspect," Judge Bailey Brown wrote in the decision and did not distinguish between "legitimate and nefarious" actions. Its intent was to curb all such activities "by subjecting persuaders to glaring publicity."

Firms or management consultants found subject to the law are required to file both monthly reports and comprehensive annual reports that disclose all receipts from all employers for labor relations advice or services. The disclosure must show all disbursements made in connection with labor relations advice and services, and the purpose of each disbursement.

The Tennessee law firm's fallback position was that if the law indeed required it to report such information, it would violate the attorney-client relationship and have a chilling effect on First Amendment rights. Other labor relations clients would be reluctant to employ a law firm obligated to make its ties a matter of public record, the argument went.

The court said lawyers who engage solely in providing legal service and representation aren't affected by the reporting requirements. But if they choose to take on an activist role in labor relations, they can't hide behind the lawyer-client relationship.

### Weak argument

As for the firm's expressed fears that identification of its client list would embarrass the companies on it and perhaps subject them to union boycotts, the court held this was mere speculation. It did not involve the threat of physical harm and loss of employment that was a factor in a Supreme Court precedent protecting the NAACP from a forced disclosure of its membership list.

The Labor Dept. notified the law firm of its obligation to file disclosure reports in 1978 and the order was upheld in a 1983 ruling by a federal district court.

# Housing cuts seen forcing more families to double up

Many more families will be doubling up and moving in with relatives if Congress goes along with President Reagan's budget proposals, the AFL-CIO warned.

Reagan has proposed a two-year moratorium on new federal housing assistance, coupled with a sharp cutback in community development funds used for housing rehabilitation and housing for the homeless.

That would rip huge holes in an already riddled safety net for the poor, Henry B. Schechter testified for the AFL-CIO at House hearings. Schechter, who heads the Office of Housing & Monetary Policy, said that a shortage of affordable housing is approaching the critical stage.

Instead of a halt to housing assistance, Schechter urged, Congress should pass the broadly supported housing bill introduced by Rep. Henry B. Gonzalez (D-Tex.) and assigned the coveted designation of H.R. 1. Gonzalez is chairman of the Housing & Community Development subcommittee holding hearings on the issue.

### Low-rent housing

The labor-backed bill would authorize funds for additional low-rent public housing, provide housing for the elderly and handicapped, and set up a homeownership program for families up to the medial income.

It got a strong endorsement and high-priority designation from the AFL-CIO Executive Council at its February meeting.

In related testimony, before the House Budget Committee, National Housing Conference President Floyd H. Hyde expressed "outrage" at the Reagan Administration's abandonment of housing and community development commitments.

Hyde, who serves as chairman of the AFL-CIO's Housing Investment Trust, is former Under Secretary of Housing & Urban Development. He urged Congress not to let itself be stampeded into "further weakening of the nation's social fabric by way of more devastating cuts in domestic programs."

Since 1981, Hyde reminded the Budget Committee, "housing programs serving the nation's low- and moderate-income persons and the elderly have been cut by some 67 percent—far more than any other program."

Schechter noted in his testimony that the number of families living doubled-up had dropped to a post-World War II low of 1.4 million in 1979, but had risen to more than twice that number last year.

### Worsening shortage

The housing squeeze isn't limited to low-income households, Schechter noted. At current prices and interest levels, two out of three American families couldn't afford to buy homes. And rental units are becoming scarcer as well as less affordable.

But for low-income families, the shortage is critical, Schechter testified. Federal funding has been cut back in recent years and the number of housing starts under federally assisted programs has been declining. The number of new starts plus substantially rehabilitated federally assisted housing units dropped from 144,000 in 1981 to 42,000 in 1984, he noted, and are projected to decline still further. The "pipeline" of previously authorized projects "is emptying out."

Proposed cuts in community development as well as housing programs would "seriously aggravate our national housing problems in future years," Schechter said. And it would keep construction industry unemployment at unacceptably high levels.

In endorsing H.R. 1, Schechter noted that it would not require high outlays from the fiscal 1986 budget but would set in motion programs that would significantly help to relieve the housing shortage.

Schechter asked the panel to consider also legislation to provide mortgage payment loans so that homeowners who lose their jobs can avoid foreclosure.



**Cutbacks protested**

"Devastating cutbacks" in federally assisted housing are protested at House Budget Committee hearings by Floyd Hyde, right, president of the labor-backed National Housing Conference. Other witnesses, from left, Presidents Willard Gourley, Mortgage Banks Association; John Koelemij, National Association of Home Builders, and David Roberts, National Association of Realtors.

# Labor calls on budget panel to put nation's needs first

**Continued from Page 1**

dress their needs, Donahue said. "It calls for more and faster growth in military spending and for more and deeper cuts in domestic programs, and it rests on a tax structure that is unfair and incapable of meeting the nation's needs."

The AFL-CIO dissents from President Reagan's contention that the huge budget deficit makes it necessary to abandon domestic commitments and "deny government services to the middle- and low-income people who provide the major sources of the nation's tax revenues."

Donahue voiced the AFL-CIO's strong opposition to Administration budget proposals that would penalize middle-class Americans as well as those at the bottom of the economic ladder.

"Many of the things the President says the country can't afford are things we can't afford not to do," Donahue said. He attacked proposals that would:

- Demolish federal training and employment efforts and cut off unemployment compensation for those most in need.
- Cut deeply federal aid to education, "including the college tuition programs on which working families rely to give their children a better start in life."
- Eliminate revenue sharing, the Economic Development Administration and support for Amtrak and cut back community development, housing and mass transit programs.
- Make further cuts in Medicare, Medicaid and child nutrition programs.
- Cut the pay and pensions of federal employees, "who have already been shortchanged again and again."
- Repudiate promises to veterans and ignore the plight of family farmers.

In response to questions about Reagan's attack on federal employees, Donahue reminded the panel of the congressional promise of salary comparability with the private sector—a promise that has repeatedly been broken. As a result, he noted, federal pay scales are some 18 percent below the comparability line even as Reagan proposes new takebacks.

Donahue suggested that a return to full employment goals would be the biggest contribution to bringing down the federal deficit. The trade deficit alone, he noted, has cost the nation some 3 million jobs.

Each one percent of unemployment costs the Treasury about $32 billion in lost tax revenues, he said, plus some $7 billion in additional social outlays.

A policy that perpetuates high unemployment is wasteful and irresponsible as fiscal policy, Donahue said. And "as social policy, it is wicked."

Social security is not responsible for the deficit and "the deficit should not be used as an excuse for neglecting the old, disinheriting the young, and depriving the middle class."

### Real cause

Donahue reminded the House panel that the massive deficit is the product of the 1981 tax cut Reagan pushed through, the accumulated burden of high interest rates, the economic drag of continued high unemployment and the vast expansion of military spending.

Congress can narrow the revenue gap and make the tax system fairer by closing corporate tax loopholes, Donahue said. But the AFL-CIO will oppose "proposals that unfairly pile new taxes on middle-class Americans who are already bearing their fair share of the tax burden."

It's up to Congress, Donahue urged, to demonstrate the "sense of responsibility" that has been lacking in the Administration on taxes and spending.

Donahue said Reagan's repeated use of veto threats, and his actual veto of the farmer assistance bill, reflect the President's apparent belief "that one of the things this country can't afford is an independent Congress."

# Compensation claims upheld for deaths tied to job stress

Providence, R.I.—The widow of a newspaper sports writer who died of a stroke is entitled to workers' compensation benefits because her husband's death was stress-related, the state Supreme Court ruled.

Its unanimous decision upheld the determination of Rhode Island's Workers' Compensation Commission that Edward Mulcahey's wife was entitled to compensation because his death was job-related. Mulcahey, a member of Newspaper Guild Local 41, died after covering a football game in 1978 for the Pawtucket Times.

The commission ruled the job's deadline pressure and work hours aggravated Mulcahey's high blood pressure and diabetes, contributing to his death. But the newspaper's management argued that medical experts could not prove any one specific incident brought on Mulcahey's stroke and appealed the commission's decision.

"An employer takes its workers as it finds them," the court said. "When the employer aggravates an existing condition and the result is an incapacity for work, the employee is entitled to compensation for such incapacity."

Mrs. Mulcahey will receive $55,000 in retroactive compensation benefits and weekly payments of $200 for the rest of her life as a result of the court's finding.

In an earlier case, the South Carolina Court of Appeals also upheld the payment of workers' compensation benefits for stress-related disabilities. That court ruled unanimously that the widow of a Greenville, S.C., drive-in restaurant worker was entitled to state compensation benefits because her husband's heart attack was related to stress on the job.

# New approaches for unions to meet workers' needs

*The following is a summary of recommendations in the recent report of the AFL-CIO Executive Council's Committee on the Evolution of Work, titled "The Changing Situation of Workers and Their Union":*

► **Unions should experiment with new approaches to represent workers and should address new issues of concern to workers.** Many workers, while supporting the concept of organization, wish to forward their interests in ways other than what they view as the traditional form of union representation. For example, in some units workers may desire a representative to negotiate minimum guarantees that will serve as a floor for individual bargaining. In other units, a bargaining approach based on solving problems through arbitration or mediation may be most effective.

Unions must also seek out and address new issues of concern to workers, such as pay equity for women workers and greater participation in workplace decisions.

► **Consideration should be given to establishing new categories of membership for workers not employed in an organized bargaining unit.** A substantial number of employees in non-union workplaces are workers who formerly were union members and left their union jobs or who supported a union representation effort that fell short, and these workers might well be interested in affiliating with a union, especially if the costs are not prohibitive and the union offers services and benefits outside the collective bargaining context.

► **The AFL-CIO should undertake a study of providing direct services and benefits to workers outside of a collective bargaining structure.** A large number of non-union workers desire job-related services and benefits that are not normally available to them. The labor movement provides a logical vehicle for meeting these employee desires, and doing so could introduce some non-union workers to the benefits provided by union representation. A feasibility study should be done to determine what services can be provided on a cost-effective basis, what vehicle would be most effective in providing such services and to whom the services should be made available.

► **Unions should expand their use of the electronic media.** It is imperative that, within the limits of our resources, we mount and sustain a coordinated and long-range communications program, employing every technique and medium available. We are committed to reversing the near invisibility of American trade unions and their members in TV and radio programming and to

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U.S.News & WORLD REPORT

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## "Return to Basics" For the Nation's Unions

**After a stunning political defeat, leaders of organized workers are giving top priority to rebuilding ranks.**

BAL HARBOUR, Fla.

It's back to the basics for organized labor.

After mobilizing thousands of workers and spending millions of dollars on the unsuccessful presidential campaign of Walter Mondale, unions are putting fresh emphasis on the nuts and bolts of rebuilding their thinning ranks.

Gathering here in late February for the annual winter meeting of the AFL-CIO's executive council, veteran labor leaders repeatedly stressed an urgent need for membership gains if labor is ever to recapture the muscle it once had at the bargaining table and at the polls.

sure tactic called a "corporate campaign" against companies. The increasingly popular technique employs proxy fights, pressure on a company's major creditors and other public displays of opposition when labor disputes arise. In organizing, the aim will be to stop employers from actively opposing unionization.

▪ Greater use of modern communications technology to explain to unorganized workers what unionization is about. This would include small-group video sessions and strategic advertising campaigns to get a union's message across.

▪ More involvement and personal contact in organizing by union leaders and rank-and-file members, as well as polling of prospective members to gauge their attitudes toward unionization and the likelihood of success.

ger workers. Among these are pay equity and participation in the decision-making process at the workplace.

Behind these and other recommendations made by the federation's Committee on the Evolution of Work is a plunge in membership that has reduced organized labor's power and contributed to serious setbacks at the bargaining table.

Government figures confirm the erosion. In the first report of its kind from the U.S. Bureau of Labor Statistics since 1980, new data show union membership dropping to 18.8 percent of all wage-and-salary workers in 1984 from 23 percent four years earlier. That represents a slide in members from 20.1 million to 17.3 million, or a falloff of 13.9 percent.

More important, the statistics illustrate what experts say is still organized labor's greatest weakness—its inability, over all, to offset substantial membership declines in old-line, heavy industries with growth in the booming service sector of the economy. While manufacturing membership has plunged from 32.3 percent in 1980 to 26 percent in 1984, the union share in services has

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**"The report has significance not only for workers and employers but for anyone interested in the future of American politics. For people my age, at least, it is impossible to imagine a strong current of liberal politics in this country without a strong labor movement. . . .**

**"In the largest sense, the AFL-CIO report is a declaration by labor's top leadership that it is ready to tackle (the) future. It is a remarkable document."**
**—David Broder in the Washington Post.**

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The Philadelphia Inquirer

## Labor's Study: Blend of Old and New

By WILLIAM SERRIN
Special to The New York Times

BAL HARBOUR, Fla., Feb. 22 — Confronted with difficulty after difficulty, the American labor movement has taken a long, serious look at itself.

A report on this examination, two and a half years in the making, describes changes in work, here and abroad, and what effect these changes are having on American unions. It is a remarkably candid, self-critical document, particularly for an institution not often given to self-examination, one which, critics have long said, is stuck in the past, defensive and slow to change.

News Analysis

Many of the proposals in the report are not new, said Lane Kirkland, president of the American Federation of Labor and Congress of Industrial Organizations, whose 35-member executive council approved the report this week. Some proposals are already in use by unions. Some seem surprisingly late for a major institution in American life.

**Report as a Blueprint**

But many labor representatives here are exuberant that the proposals have been adopted, and say they are convinced the report can be a blueprint for

Workers of America, not a member of the A.F.L.-C.I.O., is placing major reliance on rank-and-file organizers, one of the proposals in the report.

The United Fruit and Commercial Workers is using television advertising to confront companies; numerous unions are using other electronic communications techniques, and modern accounting and policy and analysis techniques have long been stressed.

As for union mergers, there have been numerous in recent years, with the number of unions in the A.F.L.-C.I.O. decreasing from 135 in 1955, when the two labor groups themselves merged, to 96 today.

Such proposals, by themselves, are not automatic solutions.

Mergers of ossified unions bring only larger ossified unions, critics say.

**The Emphasis on Electronics**

And there is so much talk in the labor movement of using television and other electronic communication techniques, it sometimes seems the fact that the American labor movement was built by tough, exuberant, innovative leaders, not by communications techniques, is being disregarded.

"Problems are caused by solutions," said Mr. Kirkland, who enjoys a droll joke.

pushed by many companies, with one level for new workers and another for older workers; the weakening of many master industry contracts; labor laws that, many experts say, make it far more difficult to organize in the United States than in many other Western industrialized nations, and the use of tough, antilabor consultants by many employers to thwart unionism.

**Commitment Being Lost**

Morton Bahr of New York, a vice president of the Communications Workers of America, who is scheduled to become president of the union this summer, also noted that many unions "have lost some of the old commitment."

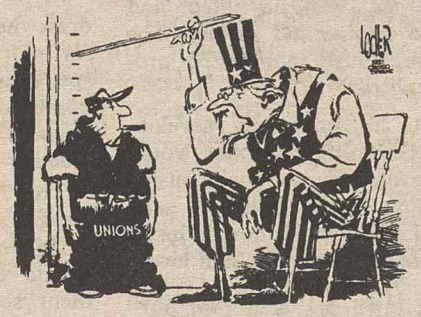
But many unionists here are buoyed by the report, which concludes with a statement made by Eugene V. Debs, the Socialist and railroad union leader, after the Pullman strike of 1894:

"Ten thousand times has the labor movement stumbled and bruised itself. We have been enjoined by the courts, assaulted by thugs, charged by the militia, traduced by the press, frowned upon in public opinion, and deceived by politicians.

"But notwithstanding all this and all these, labor is today the most vital and

## Dawning of a 'new day' for U.S. labor . . .

By David S. Broder




WASHINGTON — The headlines speak of a miners' strike being broken in Britain, and of Pan American's workers staging a walkout that threatens the future of that American flag carrier. Union writers in Hollywood and New York risked the public's ire by a strike that could have cut off favorite soap operas and situation comedies. The Bureau of Labor Statistics puts out a report saying that union membership in the United States dropped below 20 percent of the labor force — to 18.8 percent, actually — in 1984, continuing a steady downward trend.

It is an odd time to talk about a "new day" for the American trade-union movement. But it is possible that future historians may see the winter of 1985 as some kind of a turning point. At the meeting of the AFL-CIO executive council in Bal Harbour, Fla., in February, the labor leaders approved and issued a report, "The Changing Situation of Workers and Their Unions," that clearly suggomed as the real engines of opportunity and progress.

The union movement has been
including some
mocratic Party
s fighting a rear
economic and

social change — as being more worried about protecting past gains than in helping its people prepare for the future.

In the largest sense, the AFL-CIO report is a declaration by labor's top leaders that they are ready to tackle that future. It is a remarkable document.

Starting with the blunt declaration on the first page that "unions find themselves behind the pace of change," it documents the growing gap between the perceived positions of union leaders and the desires of the rapidly changing work force where, as the report says, people "are less likely to see work as a straight economic transaction providing a means of survival and more likely to see it as a means of self-expression and self-development."

Candidly citing survey findings that a majority of nonunion workers believe union leaders force members to accept decisions they don't like, including strike decisions, and that unions stifle individual initiative, fight change and increase the risk of companies going out of business, the successful on either score."

There are several dozen specific recommendations for experiments in organizing and representation techniques that individual unions have begun to discuss or, in some instances, put into place. But the report is optimistic about the ability of unions to adapt. The reasons may surprise you as much as they did me.

The most important of those reasons is that unions are middle-class institutions and are still a ticket to the middle class. Union workers earn one-third more than their nonunion counterparts, the report says. They recruit best among the elements that are growing fastest in the work force, especially the better-educated.

Only 26 percent of union members (compared to 28 percent of the general population) lack a high-school

The Philadelphia Inquirer
**Op-ed**
Monday, March 11, 1985
11-A

the committee that prepared the report, pointed out in an interview, how successful the unions will be in organizing the new work force depends critically on the labor laws. Canada and the United States have similar economies, but very different labor laws. In Canada, where the laws favor organizing, the percentage of the labor force in unions has grown from 30 to 40 percent in the

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**"The report has significance not only for workers and employers but for anyone interested in the future of American politics. For people my age, at least, it is impossible to imagine a strong current of liberal politics in this country without a strong labor movement. . . .**

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**—David Broder in the Washington Post.**

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The Washington Post
AN INDEPENDENT NEWSPAPER

Los Angeles Times

## Unions Admit Errors, Call for Reforms in Harsh Study

By HARRY BERNSTEIN, *Times Labor Writer*

BAL HARBOUR, Fla.—The AFL-CIO released Thursday the harshest self-assessment it has ever made, a 2½-year study in which it concedes that it has made serious errors in pursuing its goals and in which it advocates a series of major internal reforms necessary to keep pace with the "magnitude and velocity of change in the work place."

The study said that unions should consider abandoning the traditional labor contract in some cases. Instead, unions could negotiate minimum wage and working condition guarantees that would serve as a floor for individual bargaining between employees and employers, thus allowing workers greater rewards for enterprise and talent.

In addition, the report said that strikes could almost be eliminated if disputes were resolved through arbitration, a process now rarely used to reach contract agreements.

Such steps could "enable unions to remain the authentic voice of workers and their chosen vehicle for expressing their will," said the report, compiled by 28 union leaders with the assistance of a panel of labor experts from business and academia. It was released at the annual meeting here of the AFL-CIO executive council.

"It is not enough to search for more effective ways of doing what we always have done," said AFL-CIO President Lane Kirkland. "We must expand our notion of what it is workers can do through their unions."

Americans no longer believe that unions are "the best available means for working people to ex-

Please see LABOR, Page 11

*Unions Down, Not Out, Leaders Insist*

## Labor Tries to Revive Embattled Movement

By HENRY WEINSTEIN, *Times Labor Writer*

BAL HARBOUR, Fla.—These have not been easy times for Bill Bywater, the energetic, 64-year-old head of an organization once known as the International Union of Electrical, Radio and Machine Workers.

Last year, Bywater told his staff that the union, whose membership had plunged from 360,000 to 180,000 since 1970, no longer had an appropriate name because it no longer represented any workers making radios.

So Bywater took a step that he thought was long overdue and dropped "radio" from the title. "I first suggested that to our president, Jim Carey, in 1964 when I realized all the radio work had gone offshore to foreign countries," Bywater recalled in an interview here. "He went berserk."

That little step of changing the union's name, in some ways the least painful of many tough decisions Bywater has had to make since he fulfilled a teen-age dream and became president of the union in 1981—is symbolic of the hard times that have befallen the nation's labor movement.

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***"The federation's action is overdue, and its 96 member unions may not succeed in this challenge. But in trying, they are likely to mount the most centralized offensive against management since the AFL-CIO was formed in 1955."***
**—Business Week.**

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## Labor Leaders Adopt Blueprint for Change

*AFL-CIO Executive Council Sets Path Toward Reinvigorating Unions*

By Peter Perl
Washington Post Staff Writer

BAL HARBOUR, Fla., Feb.21—Leaders of the 13-million-member AFL-CIO today adopted a blueprint for reinvigorating organized labor, including more mergers of its 96 unions, new recruitment methods, better use of the media, and new cooperative and confrontational tactics for dealing with employers.

The report acknowledges that "unions find themselves behind the pace of change" in American society. But it says current "prophesies of doom and despair" are similar to those of the 1920s and 1930s, when unions were considered to be dying but rebounded by altering strategies to fit the times.

The AFL-CIO said it endorses cooperative approaches with employers, such as "quality of work-life" programs, but said those approaches must be coupled with "true equality" in decision-making between workers and managers.

The changes—recommended by a 25-member top-level AFL-CIO study committee—in most cases would have to be approved by individual unions.

The recommend
from public opinion
unions by pollsters Lc
Peter D. Hart, and
commissioned by
from labor experts at

versity, Massachusetts Institute of Technology, Xerox Corp. and other institutions.

The recommendations include:

▪ Actively promoting mergers to improve the clout of individual unions, and adopting new guidelines for mergers. (The AFL-CIO announced today the tentative merger of the 241,000-member Paperworkers, and the 124,000-member Oil, Chemical and Atomic Workers into the United Paperworkers, Energy and Chemical Workers.)

▪ Establishing new categories of union membership at nonunion work places. By offering benefits such as supplemental medical or life insurance, job-training assistance or other inducements, unions could set up low-cost membership to "introduce nonunion workers to the benefits provided by union representation."

▪ Setting up mechanisms to stop costly and "wasteful" battles between unions competing to organize the same group of workers.

▪ Experimenting with new forms of collective bargaining. Workers often do not want traditional "adversarial" bargaining and formal employment contracts, the report said. Unions instead could provide "access to media to combat the "near invisibility" of unions on television. The AFL-CIO spends $3 million yearly on television advertising and production, and both the federation and its unions must expand the effort, the report said.

▪ Trying new approaches to organizing. Several government-employe unions began as professional "associations" for workers who originally were not allowed to unionize. The Service Employees union also has formed associations of women office workers who initially were reluctant to unionize. The report recommends that union organizers initially target "particular issues" in work places to win support for unionization.

▪ Promoting the use of so-called "corporate campaigns" employing new methods of pressuring recalcitrant employers. Such efforts include withdrawals of union pension funds, and vigorously publicizing corporate wrongdoing.

"It is a historic blueprint" for change, said Glenn Watts, head of the 700,000-member Communications Workers of America.

William Winpisinger, president of the 700,000-member International Association of Machinists, said that

*David S. Broder*

## A 'New Day' for Unions

The headlines speak of a miners' strike broken in Great Britain, and of Pan American workers' staging a walkout that threatens the future of that American flag carrier. Union writers in Hollywood and New York risked the public's ire by a strike that could have cut off favorite soap operas and situation comedies. The Bureau of Labor Statistics puts out a report saying that union membership in the

page that "unions find themselves behind the pace of change," it documents the growing gap between the perceived positions of union leaders and the desires of the rapidly changing work force where, as the report says, people "are less likely to see work as a straight economic transaction providing a means of survival and more likely to see it as a means of self-expression and self-development."

roduce new technologies to help make unions more effective.

► **Corporate campaigns and the pressure of public opinion should be used to secure the neutrality of employers whose workers seek to organize a union and to assure good-faith bargaining.** Although the corporate campaigns that have attracted the most attention were large-scale campaigns at the national level, such as the J. P. Stevens and Beverly Enterprises campaigns, non-workplace pressure can be exerted on a smaller scale as well.

► **The AFL-CIO should establish a pilot project of experimental organizing committees.** The experience gained in earlier periods of union growth suggests that an entity single-mindedly devoted to helping unorganized workers form unions may be more successful than an ongoing entity whose first priority must be to provide service to its present members. To test this theory, a carefully designed program should be developed, bringing together interested unions, to form committees charged with the task of organizing the unorganized in a given area, industry or company.

► **Unions need to provide additional opportunities for members to participate in union affairs in ways quite different from traditional attendance at meetings.** A broad range of activities to attract membership participation, improved community services and community-related activities, and an expanded committee structure to provide membership advice and guidance to the leadership are all ways of involving more members in the affairs of their local union. Members also should have more opportunities to interact with their national leaders. Orientation programs should be developed for new members, and greater resources should be devoted to leadership training for officers, stewards and rank-and-file members.

► **Efforts should be made to better publicize organized labor's accomplishments.** "Labor in the Schools" programs should be developed by central bodies and state federations to provide information about the trade union movement and its contributions to workers and the American society.

In addition, programs to train union representatives in techniques for dealing with the media should be expanded. Union leaders at all levels should meet regularly with reporters to discuss union activities in a non-crisis atmosphere and to provide a trade union perspective on political, economic and social events.

A pilot project should be developed to test the usefulness of advertising to improve the public understanding of labor. And interferences with the right of workers to form unions should be forcefully brought to the attention of the public to develop broad support for labor law reform.

► **There must be a renewed emphasis on organizing.** The large increase in the workforce and in the extent of employer opposition requires an equal increase in the emphasis placed on, and the resources devoted to, organizing. Organizers should be carefully chosen and trained to suit the targets of organizing campaigns, and greater use should be made of modern communications technology to reach non-union workers in organizing drives.

► **Union leaders and rank-and-file members should be more involved in organizing efforts.** Renewed emphasis must be given to bringing the benefits of trade unionism to the unorganized as a prime function of every labor organization. Rank-and-file members are the best witnesses of union effectiveness, and organizing activity gives them another opportunity to expand their participation in the affairs of their union.

► **Unions should make special efforts to attract those who belong to organized bargaining units but have not joined their union.** These workers are known by the local leadership and are a natural audience for the union's message, and every effort should be made to turn them from free riders to full and enthusiastic members. These "internal organizing" campaigns can produce a far more closely knit work group and can add to the union's effectiveness in the workplace.

► **A number of structural changes within the labor movement would enhance our overall effectiveness.** For many smaller unions, mergers offer the best hope for continuing to serve their members. The AFL-CIO should develop guidelines to determine when mergers are appropriate, and help should be given in resolving the complex issues that arise in the merger process.

The AFL-CIO should establish a mechanism for resolving organizing disputes among unions, so as to eliminate wasteful competition for the same bargaining units.

A new method of funding state and local central bodies should be developed. It is essential in the current climate that labor's voice be effectively heard at the state and local levels as well as at the national level. At present, the state federations are funded by only some unions although they benefit all unions. This means that certain affiliates carry a disproportionate share of the responsibility for sustaining the state federations and that those federations are not as strong as they should be. A similar pattern prevails at the local level.

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**The New York Times**

*Leaders of the A.F.L.-C.I.O. Learned Last Week That All Was Not Lost on Election Day*

## The Union Movement Looks in the Mirror

By WILLIAM SERRIN

BAL HARBOUR, Fla.—The executive council of the A.F.L.-C.I.O. assembles here for a few days every winter on the Florida coast, far removed, it would seem, from the woes of the workaday world.

Last week the attention of many of the delegates at this year's meeting was firmly captured by an unusually frank study, two and a half years in the making, on the future of work and the ways in which profound changes in the workplace, technical and otherwise, are affecting American unions.

Among other things, the study calls for far greater emphasis on participation in unions by their members; reaching out to non-union workers, perhaps through new categories of membership; an easing of the customary adversarial relationships with business, whenever possible; far greater emphasis on organizing, with stress on new, innovative organizing methods.

As has been the case at most of these gatherings in recent years, there was a discernible feeling of depression among union presidents and their staff assistants — although last week's pronouncements on unemployment and other difficulties confronting the working class would, to critics of labor, have a hollow ring, delivered as they were amid the glitter of an ocean-front hotel.

One immediate cause of the gloom was, of course, the fact that the federation's Presidential candidate, Walter F. Mondale, was soundly thrashed by President Reagan last year.

But for all its well-documented woes, the American labor movement appears in some respects to be surprisingly vigorous. Unions in recent weeks have won organizing victories among clerical workers at Yale University and in the Iowa state university system.

Elsewhere, unions have shown strength in attracting white-collar and other professionals, including engineers, and are finding that many women are signing up.

Unionism is reported to be strong among American orchestras, around television studios and movie lots and in the sports industry. The Hotel Employees and Restaurant Employees International Union is planning a new, spirited organizing campaign. The American Federation of State, County and Municipal Employees has taken the lead on the issue of pay equity, seeking to increase the wages of women to the level men earn in comparable jobs.

The depression here might have been further diminished by the study on work and unions, which the A.F.L.-C.I.O. regards as a blueprint for its activity in coming years.

The study, the first of its kind in the federation's 35 years, was the result of efforts by some of the more "progressive" union stalwarts. There have at times been doubts that such a report, which contained a great deal of self-criticism, would ever be completed by the generally slow-moving federation.

"It's hard to change," Albert Shanker, president of the American Federation of Teachers, said of the labor movement. But like other leade
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**Slippage in the ranks**
(in thousands)

| | 1980 Total number of workers | 1980 Members of | 1980 Percent of employed | 1984 Total number of | 1984 Members of | 1984 Percent of employed |
|---|---|---|---|---|---|---|
| All private and public wage and salary workers | 87,480 | | | | | |
| All private workers | 71,424 | | | | | |
| Private goods-producing workers* | 27,455 | | | | | |
| Private service-producing workers | 43,969 | | | | | |
| Government workers | 16,056 | | | | | |

*Includes members of a labor union or employee association o

*"It's a set of ideas that even critics of organized labor can welcome. Like unions or not, this report ought to provoke fresh thought about jobs, job protection and 'what it is workers can do through their unions.'*
—The New York Times.

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**Chicago Tribune**

## Unions 'behind pace of change' but can catch up, report says

FEB 22 1985

By James Warren
Chicago Tribune

BAL HARBOUR, Fla.—The AFL-CIO issued a much-awaited report Thursday on the future of organized labor that admits a drastic decline in membership and a deep skepticism by Americans about the benefits of unions. But it concludes that a "period of resurgence is . . . within our grasp."

The report urges organizations to offer nonunionists some union benefits and services if they pay union dues. It also proposes industry- and company-wide organizing campaigns akin to the historic efforts of the 1930s in the auto and steel industries.

The optimistic outlook is based on a compelling finding of a Harris poll done for the report: There are 27 million former union members in the work force, or 10 million more than the total membership of all unions, and most of them left the unions only because they switched jobs, not because of anti-union sentiment.

The report, which follows two years of study by the AF
Committee on the Evol
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labor laws exploited by co
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cites a Harvard Universi
concluding that 75 percen
stem from a clearly ambivalent attitude toward unions. The report includes new and old polling data, all of which could buttress conflicting assessments of organized labor's future, though the negative data, if true, seem daunting.

More than 75 percent of all workers, union and nonunion, agree that unions improve the working conditions and wages of workers. Moreover, 80 percent agree that unions are needed so that employees' legitimate complaints can be heard.

But a different picture emerged when nonunion workers were asked whether they thought their wages, benefits and job security would improve if their companies went union. A total of 53 percent said they thought their wages and benefits would not improve, while 74 percent said job security probably would not improve.

Further cause for union concern might come from polling data indicating that most workers who are not union members believe that unions do not properly represent their members and that they stifle practices.

First, the report suggests attracting nonmember workers by providing them with services ranging from job-training information to group discounts on consumer products, but doing so outside any formal contractual arrangement. This approach resembles traditional nonunion employee associations, a favorite of teachers and nurses, and polling data indicate that the concept interests workers who are not union members.

Second, it suggests industry-wide and company-wide organizing efforts, instead of what is often a hodgepodge approach. The efforts resemble those used in the steel and auto industries by the Congress of Industrial Organizations led by the legendary John L. Lewis.

The report urges lessening "wasteful competition" among unions in organizing campaigns and calls for more mergers, pointing out that 50 of the AFL-CIO's 96 affiliates have fewer than 50,000 members.

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EDWIN GUTHMAN, Editor

Friday, February 22, 1985 Page 20-A

## Labor takes hard look at its own difficulties

New York Times News Service

BAL HARBOUR, Fla. — American unions have fallen "behind the pace of change," and should adopt innovative methods for representing their members and for attracting new ones, says a study by the American Federation of Labor and Congress of Industrial Organizations.

The frank study, the first of its type in the history of the nearly 35-year-old AFL-CIO, took 2½ years.

"It is not enough merely to search for more effective ways of doing what we always have done," it says. "We must expand our notions of what it is workers can do through their unions."

The report, by the AFL-CIO Committee on the Evolution of Work, makes numerous suggestions for their jobs might retain union membership. It suggests expanded services for union members and an emphasis on organization.

"I consider this a revolutionary document," said Albert Shanker, president of the American Federation of Teachers, and a member of the AFL-CIO committee.

Lane Kirkland, the federation's president, said the proposals would allow unions to "continue the never-ending process of renewal and regeneration" that will enable them to remain "the authentic voice" of American workers.

The report was approved by the federation's 35-member executive council at its winter meeting here. Glenn E. Watts, president of the Communications Workers of America, and a member of the committee

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**THE WALL STREET JOURNAL.**

*Labor Struggle*

## Realizing Their Power Has Eroded, Unions Try Hard to Change

### They Attempt to Determine Workers' Wishes, Adopt New Organizing Tactics

### 'We're Taking Blinders Off'

By LEONARD M. APCAR And CATHY TREST
*Staff Reporters of THE WALL STREET JOURNAL*

When labor negotiations at Standard Brands Paint Co. hit an impasse last month, the union didn't immediately hit the bricks—it hit the airwaves.

The United Food and Commercial Workers local representing 1,500 clerks and factory workers drew up a budget of $150,000. It bought a big ad in the Los Angeles Times to announce a series of radio commercials protesting the company's demand that the union agree to some concessions before talks could resume.

Within days after the ads went on the air, the California-based retailer dropped its demands, talks resumed and a tentative accord was reached. The company says the commercials didn't influence the negotiations. But Thomas Vandeveld, the president of the local, recalls: "The first thing they said after we got an agreement was, 'Would you pull the spots?' "

In organized labor's heyday, an immediate strike might have been the union's first reaction. But in these days of labor's weakness, unions are having to seek out alternative ways of flexing their limited muscle.

As the AFL-CIO's executive council meets this week in Bal Harbour, Fla., labor's leadership is doing some serious soul-searching. Stung by their own diminishing clout and the overwhelming defeat last fall of their favored presidential candidate, Walter Mondale, the labor chieftains will get a special report today on the changing nature of work and their own future role. The basic message: Unions must seek major innovations in the way they recruit, educate and lead.

**Matter of Survival**

For the ailing labor movement, retooling for the future may be less a matter of choice than one of survival. It has been battered by the effects of imports, recessions and nonunion competition. While the total number of civilian jobs rose by 5% between 1980 and 1984, union membership fell 13% over the same period. Union contracts settled last year called for the lowest average pay increases in 16 years. Unions now lose one of every two representation elections and three out of four decertification elections. And a 1983 Gallup Poll ranked labor leaders next to last—just above car salesmen—in terms of ethics and honesty.

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**BusinessWeek**

## LABOR'S BOLD PLEDGE TO COME BACK SWINGING

THE NEW STRATEGY COULD TRIGGER THE AFL-CIO'S BIGGEST OFFENSIVE IN 30 YEARS

If organized labor ever recovers from the membership, political, and bargaining losses that have shriveled its strength since 1981, Feb. 21 may be celebrated as the date the resurgence began. On that day, in a nondescript hotel meeting room in Florida, AFL-CIO President Lane Kirkland overrode his stodgiest peers and persuaded his 35-member executive council to approve a framework for organizing the burgeoning nonunion sector of the work force. The federation's action is overdue, and its 96 member unions may not succeed in this challenge. But in trying, they are likely to mount the most centralized offensive against management since the AFL-CIO was formed in 1955.

This will not be an industrial war, nor will it emerge full-blown. The AFL-CIO's 28-page blueprint, Kirkland said, is a "living document" that will undergo refinements at least through the federation's biennial convention next fall. Moreover, it may take years to implement the federation's several dozen suggestions—including softening up management with so-called corporate campaigns and multi-union organizing drives, emphasizing new contract goals, and spiffing up labor's public image.



million workers, achieve growth by adopting effective new strategies developed by a handful of unions. Arguing that President Reagan's conservative National Labor Relations Board is stymieing organizing, it proposes to skirt the NLRB. For instance, it says that corporate campaigns—until now used primarily as a last-ditch tactic against hardline employers—should be used to force companies to declare "neutrality" before organizing begins. Last year, for example, Beverly Enterprises, the nation's largest nursing-home chain, recognized the United Food & Commercial Workers (UFCW) and the Service Employees Inter-

Worker enthusiasm for quality-of-worklife programs has brought about 'a really significant change'

THOMAS R. DONAHUE
Secretary-Treasurer AFL-CIO

hrinkage in basic industries that led to
his decline has laid waste to labor's bar-
aining clout. In 1985, for the third year
a row, union wage hikes are likely to
rail inflation and nonunion pay gains.
Despite Kirkland's contentions to the
ontrary, labor emerged battered from
ast fall's elections, tagged by even some
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special interest" group. Donahue con-
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18A The Miami Herald / Monday, March 11, 1985

**The Miami Herald**

JOHN S. KNIGHT (1894-1981) JAMES L. KNIGHT, Chairman Emeritus
RICHARD G. CAPEN, JR., Chairman and Publisher
BEVERLY R. CARTER, President and General Manager
JIM HAMPTON, Editor
HEATH J MERIWETHER, Executive Editor

8A The Miami Herald / Friday, February 22, 1985 F 7

## Labor vows to be more flexible

UNIONS / *from 1A*

These statements were contained in a frankly worded, 30-page report that analyzed ways organized labor can fit more closely into an era when management is becoming more sensitive to personnel problems and often spends heavily to keep employees from organizing.

The report was the product of a two-year study by a panel of academics and labor leaders called the Committee on the Evolution of Work.

It pulled few punches in assessing organized labor's current plight.

After an obligatory opening restatement of labor's values, the report asserted that, "despite the accomplishments, unions find themselves behind the pace of change."

'Something mystical tells me that when the vultures are circling out with those seagulls, that's when we are on the verge of revival and a resurgence of growth.'

Lane Kirkland, AFL-CIO president

little success in penetrating the "mass-production industry."

In both cases, labor adjusted and went on to prosper.

"I'm quite confident that we are going to succeed," Kirkland said. "Something mystical tells me that when the vultures are circling out with those seagulls, that's when we are on the verge of revival and a resurgence of growth."

The report noted that labor's hope for another such revival lies in appealing to the so-called service workers, those employed in businesses that provide financial, informational, custodial or a myriad of other services to the public.

Today, fewer than 10 percent of all service workers belong to unions. Yet, according to the report, that's the sector that is expected to flourish in the future, employing about 75 percent of the work force by 1990.

**Weak labor tradition**

The report also said this work force will be concentrated in the Sun Belt states, particularly in California, Texas and Florida — the latter two with anti-labor traditions.

"Only 12 percent of the workers are organized" in those states, the report said, "the third- and fourth-lowest in the nation."

In what may be the biggest change of direction, the AFL-CIO agreed that it needs to end its fixation with negotiating rigid contracts with employers. Instead, the report said, the unions should take individual needs into account.

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**The New York Times**

## Reorganized Labor

Organized labor has set out to reinvent the labor movement for the post-industrial age. At least that seems to be the upshot of a remarkable report recently adopted by the executive council of the A.F.L.-C.I.O. It's a set of ideas that even critics of organized labor can welcome. Like unions or not, this report ought to provoke fresh thought about jobs, job protection and "what it is workers can do through their unions."

The need for rethinking is plain from the steady decline in labor's fortunes. The unionized portion of the labor force has gradually dropped, falling below 19 percent last year from 23 percent in 1980 and 35 percent in 1954. Unions are seen as undemocratic, stifling of individual initiative, controlled by bosses. Perhaps most damaging, they are thought to "increase the risk that companies will go out of business."

An obvious response — better public relations — gets generous treatment in the A.F.L.-C.I.O. report, more than two years in preparation. But the report is better than that, emphasizing substantive changes in the way unions operate.

It calls on unions to explore alternatives to the traditional "adversarial collective bargaining relationship." Among other things, this could mean giving up comprehensive contracts in favor of "minimum guarantees that will serve as a floor for individual bargaining." For the worker this would satisfy the desire to assert independence and personal initiative; for the company it would allow considerably more flexibility in rewarding the best employees.

The report also urges unions to seek out and address new issues of concern to workers, like pay inequity or comparable worth and health and safety standards. Yet another recommendation calls for "quality of worklife" programs that give workers a say in their job environment.

The new report calls for new categories of union membership for workers not in organized bargaining units. This would let people who leave unionized jobs retain a union affiliation. It also could open up such affiliation to workers who voted for the union in an unsuccessful organizing election.

Such affiliations would be especially attractive in the light of another recommendation: study the feasibility of having unions become the direct source of benefits like job training and supplementary medical insurance.

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There is skepticism about some of these things even among the labor chiefs who approved them. Issues like comparable worth could create as much division as enthusiasm. New categories of membership raise the question of what a union is. And direct benefit programs could prove costly to administer.

But the A.F.L.-C.I.O. report can provoke fresh thought and healthy experimentation as individual unions and locals take the next steps to test labor's new vision against reality.



## Fighting for farmers

Actor Eddie Albert meets with AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue during tour to bring attention to the plight of family farmers. While in Washington Albert also met with members of the Senate and protested President Reagan's veto of legislation to provide emergency farm loan guarantees as the U.S. spring planting season approached.

# *13-union committee girds for GE, Westinghouse talks*

Unity holds the key to good contract settlements at General Electric and Westinghouse, AFL-CIO President Lane Kirkland and Electronic Workers President William H. Bywater told the steering committee of the Coordinated Bargaining Committee of GE and Westinghouse Unions.

Kirkland is chairman of the CBC, which is made up of the presidents of 11 AFL-CIO affiliates. Bywater heads the CBC's working arm, the steering committee, which includes representatives of two unaffiliated unions which also have contracts with GE and Westinghouse.

"It is the unity you take with you that will assure that what can be done at the bargaining table will be done," Kirkland said. He pledged the AFL-CIO's "full and unstinting support" in this year's talks.

Kirkland noted that the CBC was founded in 1965 to put an end to the corporations' divide-and-conquer tactics and that the test of CBC unity came in the 101-day 1969-70 strike against GE.

"The strikers, who walked 101 days, understood unity in their bones," Kirkland said. They forced GE to abandon its take-it-or-leave-it bargaining strategy known as Boulwarism, he noted.

Bywater stressed the need for in-shop unity.

"We must concentrate on getting the rank-and-file behind us and remaining united—13 unions as one. That way we will come out with the best contracts possible," Bywater said.

### Rallies planned

He urged full participation in rallies that are planned at plant locations around the country the week before negotiations begin—with GE on May 14 in New York City and with Westinghouse on June 4 in Pittsburgh. The contracts, covering 110,000 workers, expire June 30 at GE and July 21 at Westinghouse.

The steering committee agreed on a series of bargaining goals submitted by subcommittees on contract language, pensions and insurance, wages and cost of living, and service shops.

CBC Treasurer Dick Mills of the Electrical Workers presented a budget and outlined plans for the communications network through which those in the field can learn of daily bargaining developments by calling a special phone number.

George Poulin of the Machinists is vice chairman of the steering committee, which includes representatives of the IUE, IBEW, IAM, Auto Workers, Steelworkers, Allied Industrial Workers, Plumbers, Carpenters, Flint Glass Workers, Firemen & Oilers, Sheet Metal Workers, and the unaffiliated United Electrical Workers and Teamsters.

# USWA approves Hess Oil contract, ending boycott

The AFL-CIO and the Steelworkers lifted a boycott against Hess Oil Co. products after union members in St. Croix, Virgin Islands, ratified a new contract that ended a bitter 11-month dispute.

Management locked out the 377 members of Steelworkers Local 8526 last April 16, the day after the previous contract expired. The company had sought to restrict grievance rights, weaken seniority, and set up a permanent two-tier wage structure.

The new three-year contract provides pay increases each year, raising the average pay from $12.18 to $14.24 an hour in the final year. A progression schedule assures that new hires will reach full parity with present employees.

### Other gains

The agreement maintains grievance rights and continues other protections the Hess management sought to eliminate. The company also promised that workers not immediately recalled will be put back on the job when the workload expands and not displaced by contracting out work.

The boycott, initiated by the Steelworkers, was endorsed by the AFL-CIO Executive Council last summer and covered gasoline sold at some 500 East Coast service stations, heating oil and other petroleum products.

The AFL-CIO Union Label & Service Trades Dept., at the request of the Steelworkers, informed affiliates of the lifting of the boycott. The USWA also expressed thanks for donations that helped fund food banks for the Hess workers during the long dispute, supplementing benefits from the union's strike fund.

## For 722,000 workers

# Public sector contracts show pay rise pattern

Major collective bargaining agreements negotiated for state and local government employees during 1984 yielded pay raises averaging 4.8 percent in the first year of the contract and 5.1 percent annually over the full term, the Bureau of Labor Statistics reported.

The survey covered 240 state and local government contracts settled last year, each covering 1,000 workers or more. Altogether, the pacts covered 722,000 workers.

In key contracts, those covering 5,000 workers or more, total compensation—wages and fringe benefits—averaged 5.2 percent in the first contract year and 5.4 percent annually over the contract life. Some 304,000 workers were covered by such agreements.

The information comes from a newly expanded series that covers state and local government bargaining agreements with 1,000 workers or more. The original series, started in 1979, was limited to agreements for 5,000 workers or more.

The expanded series includes data on wage change developments for 2.1-million workers, or about one-half of the state and local government workers that bargain over wages, BLS said.

Local government settlements accounted for four-fifths of the state and local government contracts reached in 1984 and two-thirds of the 722,000 workers.

Sixty percent of the public-sector workers covered by the 240 contracts were employed in general government and administration, 20 percent in education, and the remainder in protective services, health care and transportation, BLS said.

Most of the settlements were "back-loaded"—that is, they provided smaller wage increases in the first contract year than in later years.

BLS said that 20 contracts covering 13 percent of the workers provided for no specified wage changes in the first year but called for subsequent increases. Forty-six contracts, covering 17 percent of the workers, provided smaller increases in the first year than in later years.

These 66 "back-loaded" settlements provided wage adjustments averaging 3 percent in the first year and 5.2 percent a year over the life of the agreements.

There were 62 "front-loaded" settlements covering one-fourth of the workers. They provided wage increases of 5.7 percent in the first year and 4.3 percent annually over the contract life. The remaining contracts typically were of 12-month duration.

The average duration of all major settlements in state and local government was 20 months, compared with 31 months in the private sector, BLS said. Thirty-five percent of the state and local government workers were under settlements lasting 12 months or less.

Besides the information on new settlements, BLS reported on wage changes put into effect in 1984 as a result of both new and earlier settlements in state and local government. These "effective wage adjustments" resulted from 1984 settlements, deferred changes under agreements negotiated earlier, and cost-of-living adjustment (COLA) provisions.

### Effective increases

Average effective wage adjustments in 1984 were 6.6 percent for the 1.6-million workers who received them and 5 percent when prorated over all 2.1 million workers covered by major public sector agreements.

Only 2 percent of the state and local government workers under major agreements—all in local government, mostly transit—have COLA provisions, compared with 57 percent in the private sector, BLS said.

About 400,000 workers are under 84 contracts that expired or reopened before Jan. 1 but had not been renegotiated as of Dec. 31, BLS said.

In addition, 880,000 workers are under 200 agreements due to expire or reopen for wage negotiations between January and June 1985. Nearly half of these workers are employed in general government and about a third in education.

# Joblessness still high, lasts longer

**Continued from Page 1**

from 14.9 to 16.3 percent over the month.

Higher unemployment among adult black men accounted in large part for the 1.4-percentage-point rise in black joblessness, but the rate among black women also rose. The jobless rate among black teenagers went up over the month from 42.1 to 43.1 percent, while the rate for white teenagers fell from 15.8 to 15.2 percent.

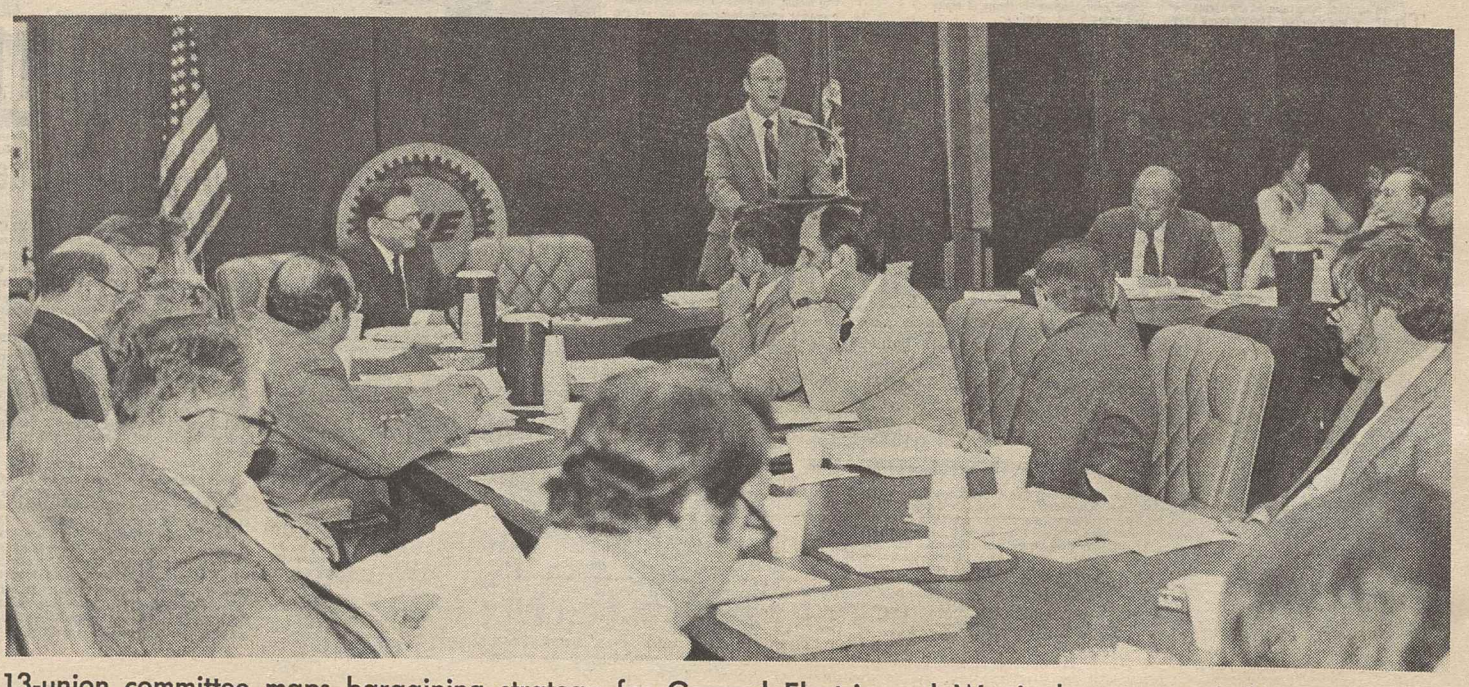
Long-term unemployment was up significantly. There were 2.41 million workers who had been out of a job for 15 weeks or more in February, an increase of about 175,000, BLS reported.

Of these long-term unemployed, 1.34 million had been out of work for more than six months, a rise of 38,000 over the month.

A total of 108.4 million Americans were employed in February, a 300,000 increase from the previous month. That included 1.7 million men and women in the armed forces and 106.7 million civilian workers.

The labor force grew by 215,000 to 116.8 million, producing a decline of 85,000, to 8.4 million in the official number of unemployed.

Besides the loss of factory jobs, the February report showed a decline of 50,000 construction jobs. BLS attributed the sharp loss mainly to severe winter weather that closed down some sites entirely last month.



13-union committee maps bargaining strategy for General Electric and Westinghouse negotiations.

# EDITORIALS

## Unemployment's Cost

MANY OF the things that the President says the country can't afford to do are things that we can't afford not to do.

The Administration has declared war on a long list of programs that have been developed over the years to advance the interests of middle-class Americans, to safeguard the health and dignity of the old, to promote the educational and occupational aspirations of the young, and to protect the poor.

With the job market disrupted by sweeping changes in markets and products, in technology, in the kinds and levels of skills that youngsters need to find decent jobs; with the jobs of skilled older workers being wiped out by plant shutdowns all across the land, can we afford to wipe out the Job Corps, cut summer youth jobs, cut back on aid to displaced workers and eliminate job training programs?

CAN WE AFFORD to raise new barriers against young people and throw displaced workers on the scrap heap?

The longest step this country could take toward a balanced budget—the most prudent and responsible fiscal policy we could adopt—would be simply to live up to the law of the land, as embodied in the Humphrey-Hawkins Act of 1978, and go all-out for full employment.

By contrast, the policy we now have—a policy designed to increase and perpetuate high unemployment—is the most expensive "luxury" any nation ever tried to buy. As fiscal policy, the waste of financial and human resources that it entails is irresponsible. As social policy, it is wicked.

*—From testimony by AFL-CIO Sec.-Treas. Thomas R. Donahue before House Budget Committee, Mar. 11, 1985.*

## Subminimum Snake Oil

ONCE AGAIN, the Reagan Administration is beating the drums for a subminimum wage, touting it in the most outrageous terms as a cure for the very high rate of teenage black unemployment.

It is, of course, nothing of the kind. If Congress is foolish enough to set up a two-tier wage system, the chief beneficiaries will be the fast food chains and convenience stores that are the principal employers of young workers.

In the private sector, certainly, there is not a shred of evidence to back up Administration claims that 400,000 new jobs will be created by lowering an already subpar wage floor.

Political appointees at the Labor Dept., according to the New York Times, have been circulating among reporters obviously solicited letters of endorsement from a handful of black mayors, ministers and educators. But the Administration has not been able to make a dent in the wall of opposition from mainstream organizations like the NAACP and the Urban League.

Basing wages on either age or race is clearly wrong—grievously wrong.

AMONG ADULTS, black unemployment has been running twice the level of white joblessness. Should we then set up a two-tier pay structure based on race?

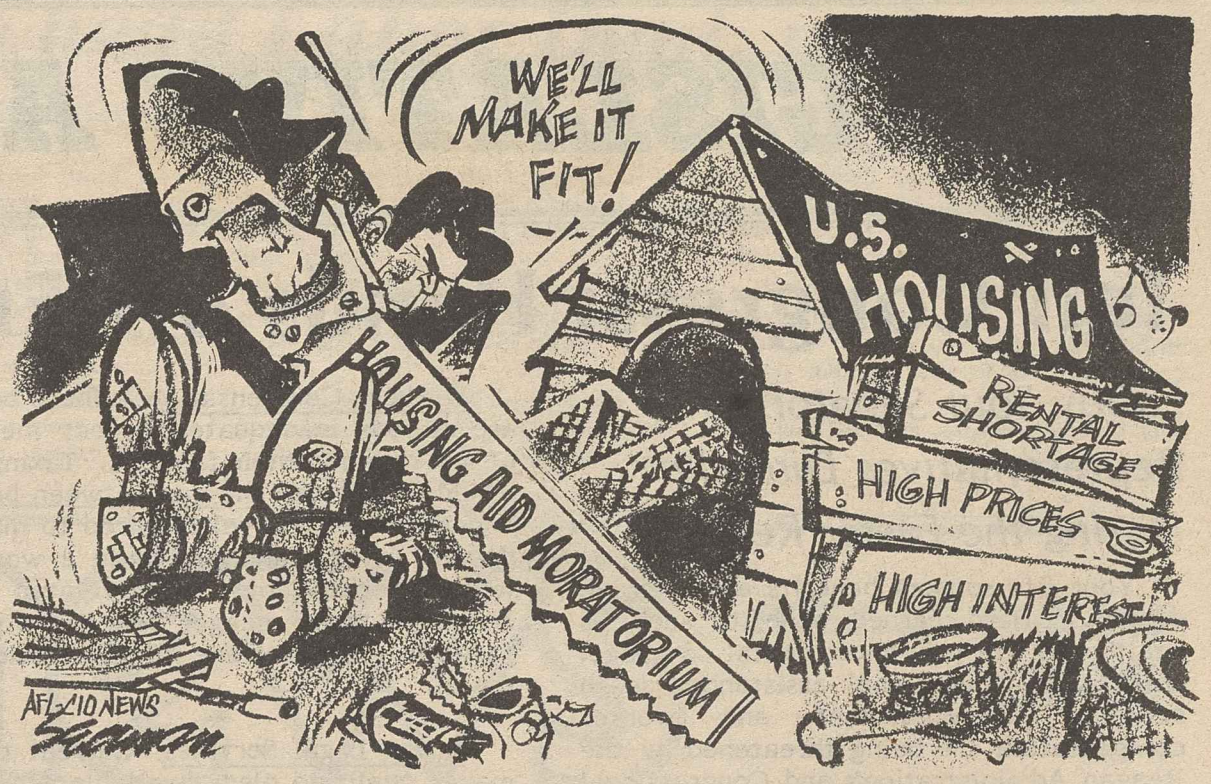
If the fast-food chains would be the big winners, who would be the losers?

For one, the youngsters whose summer earnings are essential to cover school expenses. The Administration has already declared its desire to reduce student loans, throwing a greater burden on middle-income families struggling to make ends meet. With a lower minimum wage, the gap would become wider.

For another, everyone in the world of work and especially those toward the bottom of the pay ladder. Does anyone really doubt that an employer of unskilled workers will hire a cut-rate younger worker in preference to paying a living wage to an older worker?

Mr. Reagan has already made clear his belief that the entire concept of a minimum wage is suspect, and that a teenage subminimum is merely the first step.

That knowledge makes it all the more urgent that the first step not be taken.




**Washington Window**

# 'Savings' on benefit cuts would rob needy retirees

**By Press Associates, Inc.**

Some members of Congress have proposed eliminating or reducing next year's cost-of-living adjustment in social security and other federal benefit programs to help trim President Reagan's bloated deficit.

They argue that cutting back COLAs for tens of millions of retirees and others would be a fairly painless way to cut federal spending since relatively small benefit cuts would be spread widely among large numbers of Americans.

They stress the "savings" involved—an estimated $7 billion less would be spent next year if COLAs were cancelled for social security, railroad retirement, civil service, and other federal cash assistance programs.

These proponents of COLA "savings" seldom mention the human costs which would result. These costs can be gleaned from a recent study by the nonpartisan Congressional Budget Office. The 50-page CBO report said that cancelling the 1986 COLA in social security and other federal benefit programs would produce these results:

- Some 530,000 people would be pushed below the poverty line. About two-thirds of these newly poor people would be elderly, most of them social security retirees. The rest of these new poor would be early retirees, the disabled, and non-elderly recipients of survivors' benefits.

### The needy poor

- Low-income families, particularly those with elderly members, are heavily reliant on social security, railroad retirement, and SSI. About 86 percent of total income for the elderly poor and 80 percent of that for elderly families just above the poverty level comes from these three programs. Thus, eliminating or reducing the COLA would have far greater percentage effects on their incomes than on the incomes of families well above the poverty level.
- Elderly poor families would lose an average of $140 a year in benefits, or 3.2 percent of their annual income.

The CBO study concludes that "curtailing COLAs would achieve significant savings but would do so at the cost of lower incomes for the poor and the near-poor as well as for those in better financial positions."

### Skewing the program

Some legislators have suggested that most low-income beneficiaries could be protected by limiting COLAs to this group. However, this would be a big step toward changing social security and other entitlement programs into means-tested welfare programs and undermining the principle of worker-earned entitlements.

Further, such a means-tested approach, as the report notes, would be a bureaucratic nightmare—"difficult to administer since it would require that the Social Security Administration provide COLAs to some but not all beneficiaries, or for only part of most recipients' benefits."

Social security benefits are modest to begin with, averaging only $450 a month for retired single workers, $400 for widows and $776 for elderly couples. Many, of course, receive far less.

Congress in 1983 adopted the proposals of the bipartisan National Commission on Social Security Reform to ensure the long-term solvency of the 50-year-old retirement income system. Current and future retirees then were assured that the sacrifices which were part of that compromise, including a six-month postponement of the COLA, would make the system sound and that no further cuts would be required.

Indeed, the social security retirement trust fund now is running a surplus which will total an estimated $150 billion by 1990.

William R. Hutton, executive director of the National Council of Senior Citizens, put it this way: "It would be a breach of faith to force the elderly to make new sacrifices when the system is financially sound and its surpluses already are helping to reduce the deficit. Congress should not violate the commitment made in the historic social security compromise of 1983."

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# LEGISLATIVE ALERT!

# Tell Congress: Hands off Employee Benefits

## *Lobby Your Senators and Representatives Directly During the Easter Recess*

Your life-support benefits are in grave danger. Hard earned benefits such as health and life insurance, dental coverage, child care, educational assistance, death benefits, unemployment and worker compensation are being threatened by the Reagan Administration's and Congressional proposals to tax them. You must act now to save your benefits from being reduced -- and from your taxes being raised and your take-home pay reduced.

Between April 6 and 15, most of the members of Congress will be in their home districts to meet with constituents. Call your Senators and Representative's district offices right now (see your local telephone directory), and make an appointment directly or with your local union or other labor groups.

## *What the Tax Would Do*

The Treasury Department's and several Congressional proposals would tax the life-support benefits of millions of Americans, jeopardizing the security of most of America's families. Members of unions and virtually every middle-class American wage and salary earner would feel the crunch: reduced benefits, cut take-home pay, and increased taxes.

This unfair tax proposal could be considered soon by the Senate Finance Committee and the House Ways and Means Committee. But even before that the Budget Committees of both houses of Congress might seize upon the tax as a quick-fix revenue raiser to off-set Reagan's escalating deficits.

Here's how the proposed tax scheme would work:

Health Care - If an employer pays more than $175 per month for your family's health insurance, any sum paid over this threshold amount would be taxable to you. If, for example, your employer pays $250.00 per month for your family health coverage, $75.00 of that amount each month would be taxable to you, for an additional $900.00 at the end of the year. In the future, these dollar ceilings could be reduced, resulting in even higher taxes for Americans. As health costs skyrocket, employers would attempt to reduce and eliminate coverage below the tax ceiling. Meanwhile, your taxes rise and your take-home pay falls.

Group Term Life Insurance -Presently the tax code provides that employer-paid premiums for Group Term Life Insurance are not taxable to the employee up to a maximum amount of $50,000. The Treasury proposal repeals this provision, thereby taxing you for the entire amount paid for this insurance by your employer.

Unemployment Insurance -These benefits provide essential income to jobless workers. Above certain thresholds, they are already taxed, adding to the hardship of being unemployed. Under the tax proposal, these benefits would be fully taxed.

Workers Compensation - These benefits are already inadequate to meet the needs of workers and their families. Taxing them would only widen the gap between benefits and the income level required to maintain decent living standards while a worker is jobless because of a work-related injury. But even these meager benefits would be taxed in full under the Administration proposal.

Group Legal Services -Current tax law makes qualified plans available at a minimal cost to many who would otherwise be denied such protection. Under the Treasury Department's plan, whatever amount your employer pays for legal services on your behalf would be added to your taxable income.

Educational Assistance Program -This benefit provides significant opportunities to women, minorities, and other workers to upgrade their skills through training/retraining programs provided by employers. Under the Reagan Administration proposal, you would be taxed fully for any employer-paid, educational costs.

Warning: Don't fall for the argument that the tax on your life support benefits will be more than offset by the tax reform proposals to cut your rates, increase the value of your personal exemptions and raise the level at which your taxes trigger in. That's part of the package proposal now on paper, but already the Treasury Department is taking out parts that impact on the wealthy and large corporations, and already there are reports that the rate reduction and other adjustments may not come about. You could end up the loser twice: new taxes and lower benefits.

### Here's Where Tax-Writing Committees Now Stand on Issue

**House Ways and Means Committee**

| STATE | MEMBER | POSITION |
|---|---|---|
| | Democrats | |
| ALA | Flippo | Leaning Right |
| ARK | Anthony | Leaning Wrong |
| CALIF | Matsui | Unknown |
| CALIF | Stark | Undecided |
| CONN | Kennelly | Leaning Right |
| FLA | Gibbbons | Wrong |
| GA | Fowler | Leaning Right |
| GA | Jenkins | Leaning Right |
| HI | Heftel | Leaning Right |
| ILL | Russo | Leaning Right |
| ILL | Rostenkowski | Undecided |
| IND | Jacobs | Leaning Right |
| MASS | Donnelly | Leaning Right |
| MO | Gephardt | Undecided |
| NJ | Guarini | Undecided |
| NY | Downey | Leaning Right |
| NY | Rangel | Leaning Right |
| NDAK | Dorgan | Leaning Right |
| OH | Pease | Leaning Wrong |
| OKLA | Jones | Undecided |
| PA | Coyne | Undecided |
| TENN | Ford | Leaning Right |
| TX | Pickle | Wrong |
| | Republicans | |
| CALIF | Thomas | Unknown |
| ILL | Crane | Undecided |
| LA | Moore | Unknown |
| MI | Vanderjagt | Leaning Right |
| MIN | Frenzel | Unknown |
| NHAMP | Gregg | Leaning Right |
| NY | McGrath | Undecided |
| NCAR | Daub | Leaning Right |
| OH | Gradison | Unknown |
| PA | Schulze | Unknown |
| SC | Campbell | Unknown |
| TENN | Duncan | Leaning Right |
| TX | Archer | Unknown |

**Senate Finance Committee**

| STATE | MEMBER | POSITION |
|---|---|---|
| | Democrats | |
| ARK | Pryor | No Report |
| HI | Matsunaga | Leaning Right |
| LA | Long | Leaning Right |
| ME | Mitchell | Leaning Right |
| MT | Baucus | Leaning Right |
| NJ | Bradley | Wrong |
| NY | Moynihan | Leaning Right |
| OKLA | Boren | Undecided |
| TX | Bentsen | Leaning Right |
| | Republicans | |
| CO | Armstrong | Leaning Wrong |
| DE | Roth | Leaning Right |
| ID | Symms | Leaning Right |
| IA | Grassley | No Report |
| KS | Dole | Wrong |
| MN | Durenberger | Wrong |
| MO | Danforth | Leaning Right |
| OR | Packwood | Right |
| PA | Heinz | Leaning Right |
| RI | Chafee | Wrong |
| WY | Wallop | Leaning Wrong |

## *What You Must Do:*

1. Call your local union now to see if a meeting has been scheduled with your representative esentative during the April 6-15 Easter recess. If not, urge your local union to do so now. Call your Representative and U.S. Senators at their district offices (The numbers are in your local directory under U.S. Government).

2. Make the appointment with your member of Congress -- not a member of his staff -- and confirm it 24 hours before you meet.

3. Bring along several fellow union members and spouses or leaders of other unions. This enhances your clout and shows the widespread concern about this tax.

4. Get right to a discussion of the employee benefits tax. Make your arguments forcefully - and don't be put off that the tax is dead or is not going to be considered in Congress for a long time. Ask the legislator for a specific commitment to oppose taxation of employee benefits in whatever form it takes. Obtain a pledge to oppose the benefits tax, either: (a) as a separate bill, or (b) as part of a budget bill package, or (c) as part of so-called tax simplification legislation. Tell him to tell his colleagues on the tax-writing committees: Hands off life support benefits!

5. If the legislator wants additional information, offer to provide it. Then contact the AFL-CIO and we will follow up and send along the materials in your name.

6. Thank them. If the legislator supports our position, thank him for taking the time to meet with you and for agreeing to oppose the taxation of employee benefits.

7. Report back. Let us know the results of your meeting. Lobbying is an informational gathering process. So contact the AFL-CIO and let us know what the legislator said.

---

Lobby your members of Congress during the April 6-15 Easter recess. Make your appointments now. Write now.

Honorable _____
U.S. House of Representatives
Washington, D.C. 20515

Honorable _____
U.S. Senate
Washington, D.C. 20510

# Choice of Brock to head Labor Dept. welcomed

AFL-CIO President Lane Kirkland welcomed the nomination of William E. Brock as Secretary of Labor and said it could open the way to "a new and constructive relationship" between the trade union federation and the Labor Dept.

Brock has been the U.S. Trade Representative for the past four years, previously served in both the Senate and House, and is a former Republican national chairman.

"We have worked with him in many areas over the years," Kirkland said. While we have not always agreed, he has earned our respect."

President Reagan tapped Brock to replace Raymond J. Donovan, who resigned as Secretary of Labor after a New York state judge refused to dismiss criminal fraud and larceny charges against him. The charges relate to Donovan's actions as a construction company official before he was appointed to the Cabinet.

Donovan had been on unpaid leave of absence from the Labor Dept. since his indictment last October. Under Sec. of Labor Ford B. Ford has been the caretaker of the department since then.

Under Donovan, the Labor Dept. had tilted heavily to the side of management and against the interests of workers and their unions.

Key staff positions were filled with appointees hostile to the department's programs and suspicious of career professionals.

Occupational safety and health standards that were in the works at the 1981 change of administration were pulled back to be scrapped or gutted. The Davis-Bacon prevailing wage law was seriously weakened through new regulations, and only court intervention prevented the complete wipeout of longstanding prohibitions against industrial homework.

Within the Administration, Donovan proved the most eager of all the Cabinet members to carry out budget cuts that bit deeply into the bone of his department's programs.

When Donovan resigned, the AFL-CIO

**Continued on Page 6**

AFL-CIO news

VOL. 30, NO. 12
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MARCH 23, 1985

MEMO FROM COPE
PAGE 8

# Kirkland hits benefit-tax scheme



AFL-CIO President Lane Kirkland assails scheme to tax worker benefits. With him at the House committee hearings are Federation Research Director Rudy Oswald, left, and Legislative Director Ray Denison.

## *Cites threat to safety net for families*

**By David L. Perlman**

Proposals before Congress to tax health insurance and other job-related benefits threaten to rip apart a life-support system on which millions of families rely, AFL-CIO President Lane Kirkland warned.

A lot more than tax dollars is at stake, Kirkland stressed in testimony before the House Education & Labor Committee. He said imposing a new payroll tax on employer-provided benefits would pit worker against worker, divided by age and family responsibilities.

Inevitably, he warned, family protection would be reduced and made more costly. And if the private sector doesn't do the job, it will be up to the government to pick up the pieces.

Kirkland's testimony noted the uniqueness of the United States as the only industrialized nation depending on its private sector to meet family needs that elsewhere are government responsibilities.

### Basic necessities

"The industrial nations of the world have looked upon health care, education, retirement security, and life, disability and unemployment insurance as fundamental necessities," Kirkland said.

But the United States, instead, has taken the "different path" of encouraging employers to take over this social function and excluding from taxation the share of a worker's earnings that goes to meet "perceived social needs."

The result has been job-linked child care, educational assistance and prepaid group legal services as well as health and life insurance.

Kirkland's testimony reflected labor's

**Continued on Page 3**

# Bipartisan bill proposes plant-closing safeguards

Two House Democrats and a Republican have introduced a plant-closing bill they predict will gain bipartisan support despite the reluctance of the Reagan Administration to face up to a worsening problem.

Joining in a Capitol Hill news conference were the principal House sponsors—William D. Ford (D-Mich.), who has championed the cause of plant-closing legislation in previous congresses; Silvio O. Conte (R-Mass.), who stressed that plant closings and layoffs "do not recognize regional or party lines," and Rep. William L. Clay (D-Mo.), who said the bill will be a "top priority" of the Labor-Management Relations Subcommittee which he heads.

All three described the measure as a "first step" proposal that would alleviate but not eliminate a problem that has become as pressing in the Sunbelt states as in the tier of northeastern and midwestern states that some have dubbed the Rustbelt.

The legislation would require businesses to provide a 90-day notice of a plant closing or of the permanent layoff of 50 or more workers.

Where workers are represented by a union, the employer would be obligated to provide all relevant information related to the closure or layoffs and discuss alternatives that might save the jobs.

### Penalties proposed

Employers could shorten the notification period only by convincing the Federal Mediation & Conciliation Service that "unavoidable business circumstances" require it. And workers could be ordered reinstated with penalty pay if the employer failed to comply with the law.

A second part of the bill would establish a 15-member bipartisan National Commission on Plant Closings to develop policies to prevent shutdowns and programs to assist dislocated workers.

The bill's sponsors acknowledge that the legislation isn't as comprehensive as earlier versions. "We intend this bill as a realistic first step," Clay said, "one that can win the support of a majority of this Congress."

Ford stressed the urgency of the problem. "According to the Bureau of Labor Statistics," he said, "5.5 million Americans lost their jobs in plant closings and permanent layoffs between 1979 and 1984 without any advance notice."

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3/23/85

## *Union victories grow at Beverly nursing homes*

Two AFL-CIO unions have achieved an overall win rate of 71 percent in their campaign to organize nursing homes operated throughout the country by Beverly Enterprises.

The campaign by the Service Employees and the Food & Commercial Workers has brought to 88 the number of Beverly facilities which have been organized. Since the two unions jointly targeted the Beverly chain in 1983, unions have won 63 representation elections involving some 5,000 workers in 23 states. Fifty of these victories have occurred in southern states—Arkansas, Georgia, Florida, Mississippi, North Carolina, South Carolina, Tennessee, Texas and Virginia.

**Continued on Page 3**

# Study finds Pentagon waste adds billions to defense cost

**By Arlee C. Green**

The Defense Dept. could save billions of dollars a year simply by eliminating waste and inefficiency—and without cutting wages, benefits or even a single weapon.

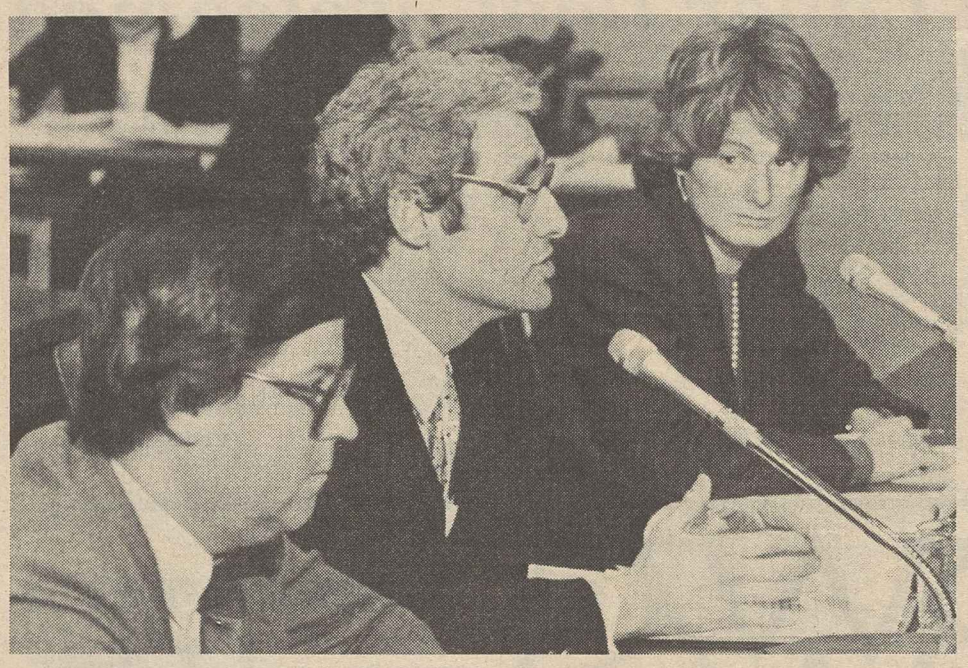
Those are among the major findings of a study commissioned by the Marine Engineers and released by Sen. Edward M. Kennedy (D-Mass.) and MEBA President Jesse M. Calhoon.

The wide-ranging analysis of Pentagon operations, prepared by Ruttenberg, Kilgallon & Associates, identifies 104 documented cases of DOD waste which cost between $32 and $100 billion annually.

"Waste on this scale belies the contention that a budget freeze necessarily requires that we scale back or mothball our actual military power," Calhoon told reporters. He stressed that the study draws on the work of conservatives, liberals and moderates—"it is not ideological or partisan."

Titled "Waste in the Defense Dept.,"

**Continued on Page 3**



AFL-CIO's David Silberman testifies on asbestos victims' compensation. He is flanked by Jay Power and Margaret Seminario of the federation staff.

## AFL-CIO tells Congress

# Asbestos settlements still need monitoring

The implementation of an accord between asbestos producers and their insurers must be closely monitored to make sure asbestos victims are properly compensated, the AFL-CIO told a Senate Labor & Human Resources subcommittee.

At the same time, the federation offered to assist in the development of guidelines to aid in settlement of asbestos-related claims, and pointed out that the long-term needs of workers can be best addressed by enactment of a federal occupational disease compensation law.

David Silberman, the federation's associate general counsel, noted at congressional oversight hearings that the accord, called the Wellington Agreement, "does not, in and of itself, advance the cause of providing adequate and timely compensation to asbestos victims." The agreement is basically a peace treaty between the producers and their primary insurers, Silberman said.

The Wellington Agreement is named for Harry H. Wellington, dean of the Yale Law School, who was instrumental in working out the treaty to end the legal liability war between the two groups.

Wellington cited in his testimony a Rand Corp. study that found only 37 cents of each dollar awarded in damages to asbestos victims actually goes to the claimant—the rest goes for lawyers and legal expenses.

Silberman pointed out that the Wellington Agreement should significantly reduce the amount of money paid to defense lawyers, but "there is no assurance that those savings will be used to compensate victims rather than being pocketed by the producers and primary insurers."

The crucial question is whether the producers and insurers will "proceed to seek peace" with the asbestos victims and their families or if they will "use their newfound harmony to wage a unified war of attrition against victims who seek compensation."

Silberman said the AFL-CIO would welcome the opportunity to work toward developing guidelines and procedures for processing claims. "We can advocate the interest of workers without any conflicting interests or obligations," he asserted.

### Federal involvement

Some have suggested that the ability of the Wellington group to reach an accord somehow demonstrates that government involvement in the field of occupational disease is unnecessary, Silberman observed. "It would be a national tragedy of untold dimensions if that misperception were to receive any currency. The very problem stemming from asbestos claims "is eloquent testimony to the past failure of law," he said.

The experience of the Wellington group highlights the need for governmental involvement, Silberman declared, stressing that the only "genuine hope for a fair and comprehensive solution to the problem of occupational disease is enactment of a federal occupational disease compensation law." The AFL-CIO in testimony before the committee last year proposed that solution.

# *VDT safety bills spurred in legislatures of 14 states*

Legislatures in 14 states are considering bills covering worker exposure to video display terminals, mainly in response to stepped-up activities by labor, and in another 13 states, workers are actively pressing for VDT regulation, according to the Service Employees and 9 to 5, the National Association of Working Women.

Adding to the case for legislation is a study done by the Communications Workers linking angina, a first sign of heart disease, to VDT use.

SEIU and 9 to 5 kicked off a "Campaign for VDT Safety" in December 1984. In a state-by-state update, the campaign noted these activities:

**California**—Sen. Tom Hayden will introduce a bill focusing on ergonomics, and the labor coalition being formed includes the State AFL-CIO and SEIU.

**Colorado**—Planning for Lobby Day and other activities during week of Apr. 19-23. The coalition backing the activities includes 9 to 5, state federation and Oil, Chemical & Atomic Workers.

**Connecticut**—Statewide coalition including SEIU and the Teachers is backing a bill sponsored by State Rep. Joe Adamo.

**Iowa**—VDT bill in Senate will soon be submitted to the House.

**Maryland**—The Newspaper Guild has joined the CWA, SEIU and 9 to 5 in backing Del. Anne Perkins's VDT bill which includes pregnancy transfer rights.

**Massachusetts** — Two state-conducted studies will be released soon. The state AFL-CIO joined with SEIU and 9 to 5 in backing bill sponsored by Rep. Suzanne Bump and Sen. Gerard D'Amico.

**Minnesota**—A modified bill that would require a state commissioner to report on the National Institute of Occupational Safety & Health's findings of reproductive hazards and make recommendations.

**Missouri**—Strong industry opposition to the labor-backed bill sponsored by State Rep. Ron Auer.

**New Hampshire** — Campaign includes the state federation and Women's Lobby and seeks VDT legislation based on the model bill drawn up by SEIU and 9 to 5.

**New York**—Rep. Frank Barbaro's bill is backed by the State AFL-CIO, SEIU, 9 to 5 and New York Committee on Occupational Safety & Health.

**Oregon**—The VDT bill passed the state Senate on Feb. 12 with near unanimous vote. House is expected to act soon.

**Rhode Island**—Campaign fighting for stronger legislation than current bill that seeks only to have information on hazards provided to VDT operators.

**Washington**—A House Committee approved a VDT measure which will go to the House floor shortly.

The CWA's study of 2,478 women workers employed by Southern Bell in North Carolina found that 15 to 16 percent of the workers using VDTs more than half their workday reported having chest pains. Less frequent users reported chest pains in only four percent of the cases.

The results "should be a red flag" for further research, said Tobi Lippin, who aided in the survey, which recommends a joint labor-management project to assess the relationship between VDTs and long-term health hazards.

# Textile import curb pressed by union-industry coalition

Unions and manufacturers joined in a call for legislation to curb a fast-rising tide of textile, apparel and fiber imports that have already taken a huge toll on American jobs.

More than 130 House and Senate members, both Democrats and Republicans, are cosponsoring the measure. Rep. Ed Jenkins (D-Ga.), who heads the congressional Textile Caucus, said the legislation seeks to "sew up gaping loopholes" in existing textile trade agreements.

Both the Clothing & Textile Workers and the Ladies' Garment Workers are part of the coalition supporting the bill, along with 13 industry trade associations.

Imports now are regulated by the Multi-Fiber Arrangement, first negotiated in 1973 and since twice renewed. It is supposed to provide developing nations access to textile and apparel markets in the industrialized nations through an orderly process that would not disrupt economies.

That's not the way it has worked, U.S. unions and employers pointed out.

The reality, they stressed, is that apparel imports captured half the huge U.S. market last year, and textile imports soared 32 percent on top of a 25 percent rise the year before.

If this trend continues, the labor-industry coalition warned, "the American fiber, textile and apparel industry will simply cease to exist by the early 1990s."

### Quota formula

The proposed legislation would set quotas for access to the U.S. market for major exporting countries and somewhat more lenient quotas for textile, apparel and fiber shipments from countries with less than a 1.25 percent share of U.S. imports. For major exporting countries, the initial quota would be 1 percent more than the levels that would have existed last year if the Multi-Fiber Arrangement had been effectively enforced during the 1980-84 period.

Lack of proper enforcement, the bill's supporters contend, has been a big factor in a textile and apparel trade deficit that reached a record $16 billion in 1984, and in the heavy job loss that has plagued the domestic textile and apparel industry.

# Michael Arnold named to new post in Housing Trust

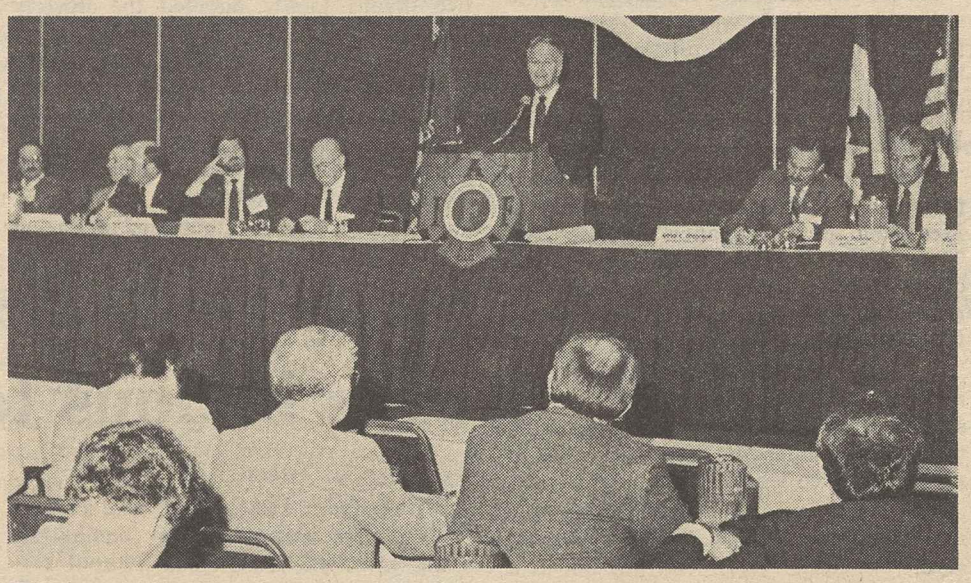
Michael Arnold, who has been executive director of the AFL-CIO Human Resources Development Institute for the past six years, will take on a new assignment in mid-April as director of investor relations for the federation's Housing Investment Trust.

The investment trust was launched in 1983 as a means of channeling union and pension funds into the job-generating single-family home mortgages.

In announcing Arnold's appointment, AFL-CIO President Lane Kirkland commended his "outstanding leadership" in promoting labor participation in programs to open up job opportunities for unemployed and disadvantaged workers.

Arnold, a member of the Bricklayers and a former local union officer in Dallas, joined HRDI shortly after it was founded 16 years ago. He was regional director for 10 southwestern states before becoming assistant director in 1973.

Kirkland announced that AFL-CIO Field Rep. Michael McMillan, now based in Houston, will serve as HRDI's acting director. Before joining the AFL-CIO's field staff in 1981, McMillan was with HRDI for 11 years, as an area representative, coordinator of building trades programs and assistant director.



## Fire Fighters rally

Sen. Bob Packwood (R-Ore.), addressing the Fire Fighters annual legislative conference, voices opposition to Reagan Administration proposal to tax employee benefits. IAFF President John A. Gannon warned that a plan to eliminate federal revenue-sharing would be disastrous to the nation's fire service. Some 330 IAFF local and state leaders participated in the conference.

# John F. Crowley dies, San Francisco official

Shanghai, China — John F. Crowley, secretary-treasurer of the San Francisco AFL-CIO, died of cancer here Mar. 17 while touring Asia with his wife Geraldine. He was 61.

Crowley, a member of the Mortuary Workers Union of the Seafarers and a vice president of the California AFL-CIO, has been the chief executive officer of the San Francisco labor council since 1972. He also had been secretary-business agent of Professional Embalmers Union 9049.

Survivors in addition to his wife include six children and 16 grandchildren.

# Kirkland: benefit-tax scheme threat to safety net

**Continued from Page 1**

concern that workers will lose both money and protections under various proposals that Congress will be considering.

These include a warmed-over Administration proposal to make workers pay taxes on the value of health insurance premiums above a specified amount.

Such a plan, imposing new taxes on many workers who could least afford it, "would dismantle the safety net of employee group health insurance," Kirkland testified. Many would choose to give up protection and, as a recent survey found, employers would respond by reducing benefits.

### Fewer benefits

Other pending proposals that target worker benefits include the Treasury Dept.'s "tax simplification" plan and several "flat-tax" bills that have been introduced in Congress.

"If tax benefits for health care contributions were to be scaled back, most likely to be dropped from a benefit plan are coverage for preventive care, outpatient diagnostic services, dental, eyeglasses and other benefits that affect premium costs," Kirkland testified.

"These have little to do with the health cost inflation problems that plague the nation," he noted.

The safety net of health insurance protection and other life-support benefits was woven at the bargaining table by the American trade union movement, Kirkland said.

It has since become "deeply embedded" in the nation's employment structure, and some 140 million Americans now have job-related health care insurance.

"It would be hard to overstate the role of this life-support network," Kirkland said. "Its protection has given millions the sense of security and confidence to enter the marketplace and undertake commitments for long-term mortgages, college tuition loans, time-purchase agreements for cars."

The nation needs more, not less, of such family protections, Kirkland affirmed. During the last recession, he noted, the loss of health insurance proved a greater blow to many families than the loss of wage income. Some had life savings wiped out by a short hospital stay. Others were thrown on already overstrained public resources.

With those experiences so fresh in memory, Kirkland urged, "Congress ought to be considering ways to strengthen the private life-support system rather than devising new taxes to undermine it."

### Didn't cause deficit

As for the need for tax revenue, Kirkland noted that the tax treatment of job benefits was not the source of the huge federal deficit.

The biggest part of the deficit, he said, stems from the 1981 tax changes which gave huge windfalls to businesses and disproportionately high tax cuts to the wealthiest.

"The revenue shortfall should not be met by levying additional burdens on working people and adding to the unfairness that has characterized economic policies of the past several years," Kirkland said.

One argument for taxing employee benefits is that persons receiving them have an advantage over those who don't get them. But such inequities should be resolved by encouraging adequate programs, he urged, not by tearing down those that exist.

Apart from employer-provided benefits, the Reagan Administration also wants to tax unemployment and workers' compensation payments, even to those in the low income brackets.

### 'Mean-spirited'

Kirkland branded this "the most mean-spirited" of the Administration's proposals.

Already, he noted, unemployment insurance is taxed for single workers whose total annual income is over $12,000, or over $18,000 for a couple.

"Just as devastating is the suggestion by the Administration to tax all workers' compensation benefits," which at most replace only two-thirds of lost wages.

Group life insurance, legal services, dependent care and educational assistance all would be discouraged by Administration tax proposals, Kirkland noted. Pensions, which already are taxed when paid to retired workers, are not yet on this year's target list. But "we know they were considered," Kirkland told the committee, "and set aside temporarily."

The AFL-CIO's position received a warm endorsement from both Committee Chairman Augustus F. Hawkins (D-Calif.) and Rep. William L. Clay (D-Mo.), the chairman of the subcommittee which will hold further hearings on employee benefit issues

The programs under attack, whether health insurance or day care, serve important social and economic objectives, Hawkins stressed. They are not "fringes" or "frivolous perks" of expense account executives, he said.

Kirkland, responding to questions from committee members, warned that the imposition of taxes that would reduce the take-home pay of workers would "throw a monkey wrench into collective bargaining."

It would lead to reopening of existing agreements, create friction among workers on the basis of age and family repsonsibilities, and discourage programs that it is in the interest of the nation to encourage, he said.

### Labor's alternatives

Asked whether the AFL-CIO has any alternative suggestion on raising additional tax revenues if employee benefits are left untouched, Kirkland responded:

"We have put forth year after year after year proposals to make the tax system more equitable and simpler."

And if they had been adopted, he said, the federal deficit today would be a lot smaller. Research Director Rudy Oswald, who with Legislative Director Ray Denison shared the witness table with Kirkland, outlined some of the federation's tax reform suggestions.

# *Union victories grow at Beverly nursing homes*

**Continued from Page 1**

Of the 63 wins, the SEIU scored 31, the UFCW 27 and other unions five, the Service Employes reported.

Mark Splain, director of health care organizing for the SEIU, said the win percentage has measurably improved in the year since the unions and Beverly reached an agreement on the conduct of the organizing drives. In March 1984, the SEIU and the UFCW signed an accord with the nursing home chain to end their "corporate campaign" pressures in exchange for Beverly's pledge to encourage a "non-coercive" atmosphere during representation elections.

Splain said the SEIU has since won 20 of 22 elections—91 percent—with the results of two others set aside and new elections ordered. He said organizing activity at Beverly homes has risen by about a third over the past year.

### 900 facilities

The company operates more than 900 long-term care facilities throughout the country. It says each has an average of about 75 "organizable" service and maintenance employees.

The pace of bargaining also has picked up since the accord was reached between the unions and management last year.

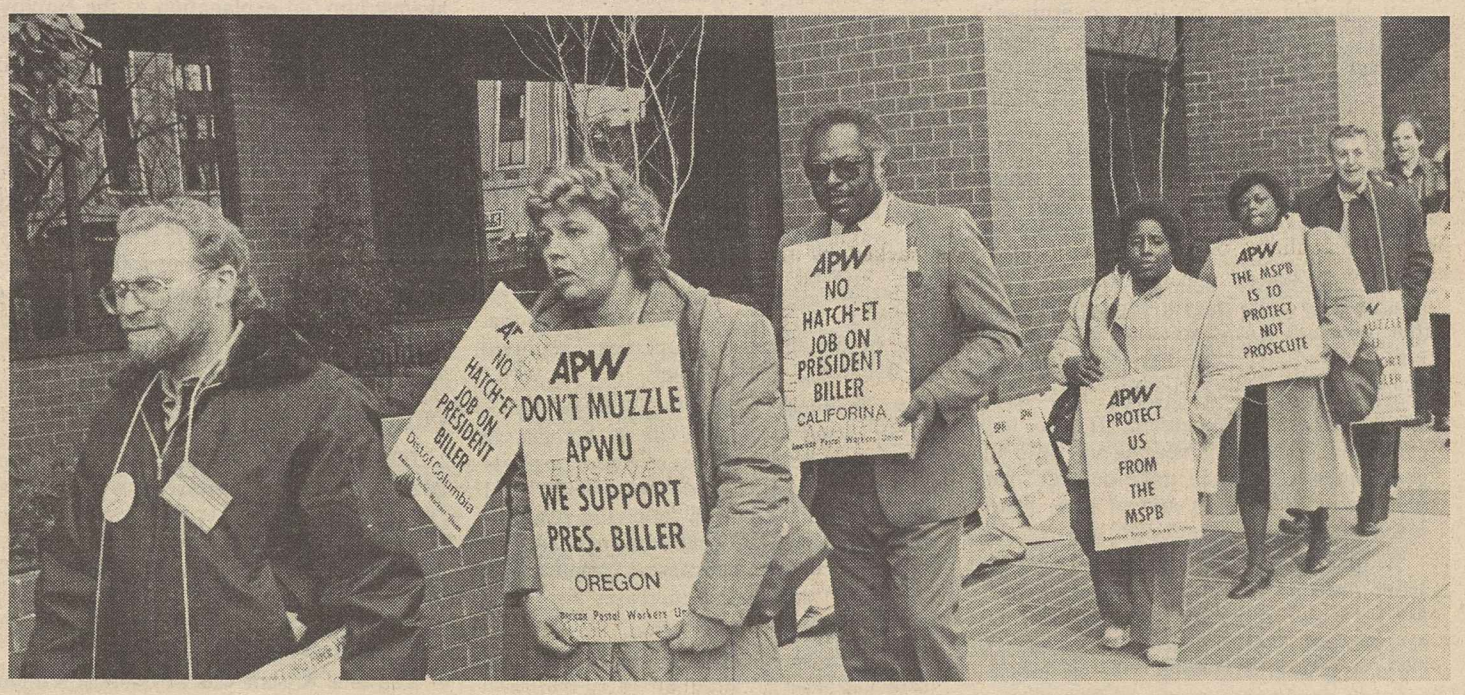
For example, the UFCW reports recent contract settlements with Beverly covering workers at three homes in North Carolina, one in South Carolina and eight in Arkansas. Agreements also are in prospect in Minnesota and Ohio, with bargaining continuing in Pennsylvania, Virginia, Florida and Mississippi, according to Richard Perry of the UFCW. Perry heads the union's Professional, Insurance, Finance and Health Care Division.

Another recent settlement was reached by UFCW Local 400 for workers at a Beverly nursing home in Washington, D.C.

## Conventions

The Newspaper Guild convention has been rescheduled for June 24-28 in Pittsburgh. It had been slated for July 24-28.

The Woodworkers convention will be held Apr. 20-26, 1986, not Apr. 20-26, 1985, as previously reported.




## Moving message

Postal Workers, taking time out from a legislative conference, picket the Merit Systems Protection Board to protest Hatch Act charges brought against APWU President Moe Biller, Government Employees President Kenneth T. Blaylock and Letter Carriers President Vincent R. Sombrotto because of their support of the Democratic presidential ticket. Another 200 delegates picketed the South African embassy to protest that nation's apartheid policy.

# Study finds billions in Pentagon waste

**Continued from Page 1**

the study focuses on five key DOD areas where waste of tax dollars occurs and it uses the estimates of a variety of military and budgeting experts in determining the dollar figures of waste in each area. Among those providing information used in the report are the Heritage Foundation, Brookings Institution, Rand Corp., federally commissioned task forces, former national security and defense officials; and other relevant federal agencies and individuals.

These are among the conclusions reached by the study:

- Waste in the Defense Dept. is massive and pervasive, and the rapid growth planned by the Reagan Administration may make the problems worse.
- Most of the problems have been identified and studied for years, but little, if any, progress has been made.
- Controversies over which weapons systems are unnecessary grab the headlines, but do not represent the largest waste at DOD. Because of the bow-wave nature of defense spending, savings from unnecessary weapons systems would take longer to achieve than savings from elimination of management waste, which recurs annually.
- Congress should review the defense budget in a unified way and with its own analysts.
- While weapons systems are constantly updated, DOD has antiquated computers and software systems and antiquated laboratories. Its management, organization and compensation systems are virtually unchanged from a generation, and sometimes a century, ago.
- Reform is needed in the military compensation system, but it must be based on a comprehensive review and consider long-run implications of such reforms.

Kennedy told reporters, "There is no question that this report is arriving at a special time." The fiscal 1986 defense budget will be reviewed by the Senate Armed Services Committee by the end of March. Kennedy said he was hopeful the study's recommendations will be evaluated and implemented.

The report urged the need for broad system-wide changes, and recommended:

- Management incentives within DOD should emphasize cooperation rather than competition among the service branches. This would extend to activities such as base consolidation, one military hospital system, standardization of weapons systems, increased interservice assignments, elimination of overlapping duties and joint management of base support, logistics and transport functions.
- Priority should be given to modernizing and consolidating DOD information systems, using one common computer language and effective hardware investment.
- Stability and competition for procurement should be achieved to hone down overhead and excess facilities capacity among contractors as well as to ensure lower prices and improved quality of weapons.

The report urged that "whistleblowers" be both protected and encouraged. Too often, it noted, they are punished or harassed.




## Panning Pan Am

Outside the headquarters of Pan American World Airways, New York union members demonstrate support for striking members of the Transport Workers. Negotiations and mediation efforts continued in the strike by more than 5,000 TWU members which began Mar. 1. Pan Am management has demanded more givebacks on top of two previous years of pay and contract concessions.

# *Sluggish GNP growth rate shows softness in economy*

Signs of weakness in the nation's economy showed up in the government's "flash" estimate that the gross national product is growing only at a sluggish rate of 2.1 percent for the first quarter of the year.

The Commerce Dept. estimate, which will likely be revised when all the figures for the quarter are in, pegs current economic growth at the slowest pace since last year's third-quarter rate of 1.6 percent. Most economists believe that a GNP growth rate of at least 3 percent is necessary to keep unemployment from rising.

The report also revised downward the fourth-quarter 1984 growth rate—from 4.9 percent to 4.3 percent. It also indicated that inflation is heating up, with the government's "implicit price deflator" running at a 5.4 percent annual rate, nearly twice the rate for the fourth quarter.

Another negative development was the sharp drop of 11 percent in housing starts for February, offsetting most of the January gain of 12.9 percent. The Commerce Dept. put the seasonally adjusted annual rate of new home starts in February at 1.6 million units, a drop of about 200,000 over the month.

The decline occurred entirely among multi-family dwellings, with construction starts of apartment buildings with five or more units down 36.7 percent.

### Pattern reversed

"This is exactly the reverse of what happened the month before," observed Henry Schechter, deputy director of the AFL-CIO Dept. of Economic Research. Schechter, who heads the federation's Office of Housing & Monetary Policy, noted that new apartment buildings were largely responsible for the January surge in housing starts. He said apartment builders were apparently rushing to beat any tax legislation that might reduce benefits by lengthening depreciation periods.

Of greater concern, Schechter said, was the February decline in building permits, which slipped 4.7 percent over the month to an adjusted annual rate of 1.6 million.

"We shouldn't be expecting any great strength in housing," he said, "because the permits are a signal of what's likely to happen in the coming months."

Although starts of single-family homes registered a slight rise in February—5.3 percent to an adjusted annual rate of 1.1 million units—the outlook was dimmed by a rising trend in interest rates. The average rate for 30-year fixed-rate mortgages was pegged at 13.2 percent in the latest survey by the Federal Home Loan Mortgage Corp. This was up from about 12.8 percent a month earlier, and the National Association of Home Builders forecast a continuing upward drift this summer to more than 14 percent.

Other economic reports were mixed:

● The nation's industrial production facilities—factories, mines and utilities—operated at 80.7 percent of capacity in February, a decline of seven-tenths of 1 percent over the month and the lowest level in a year. The Federal Reserve Board, in announcing the drop in capacity utilization, said it was partly due to harsh winter weather early in February. It reflected a sharp drop in industrial production of five-tenths of 1 percent, reported by the Fed a week earlier.

● Producer prices for finished goods edged down one-tenth of 1 percent in February. Food prices at the consumer level continued to drop—one-tenth of 1 percent over the month following a decline of six-tenths of 1 percent in January. Large price drops for meat, poultry and fish offset very large increases for fresh fruits, vegetables and eggs.

Prices for finished goods other than food and energy were up three-tenths of 1 percent over the month.

Producer prices also were down for intermediate goods requiring some processing, which dropped five-tenths of 1 percent over the month, and for crude goods, which declined 1.9 percent.

● The Labor Dept. report on unemployment by states for January showed increases in jobless rates over the month in 45 states. Measured from January to January, however, the rates were down in 42 states. West Virginia continued to suffer the highest unemployment rate—15.9 percent. In all, nine states had double-digit unemployment rates in January, up from five in December.

## Ohio law struck down

# Court ruling upholds right to contest firing

Public employees have a right to tell "their side of the story" before being fired for cause, the Supreme Court has ruled.

The high court, in an 8-1 decision, upheld a ruling by the 6th U.S. Circuit Court of Appeals that an Ohio law violates the due process clause of the 14th Amendment because it denies public employees a chance to challenge their discharges before they become final.

The case grew out of separate dismissals of school board employees in Cleveland and Parma, Ohio. In the first, a security guard was fired for allegedly lying on the job application, and in the second, a bus mechanic was dismissed after failing an eye examination. Both workers filed federal suits challenging the constitutionality of the Ohio civil service law.

### Rulings reversed

Lower court dismissals were reversed by the 6th Circuit on a consolidated appeal.

In the Supreme Court's decision affirming the appeals court, Justice Byron White said "an essential principle of due process is that a deprivation of life, liberty or property 'be preceded by notice and opportunity for hearing appropriate to the nature of the case.'"

"The tenured public employee is entitled to oral or written notice of the charges against him, an explanation of the employer's evidence, and an opportunity to present his side of the story," the majority opinion said.

Justice William Brennan, in a concurring opinion, said the court's decision "puts to rest" questions as to the obligation of public employers to give notice before firing an employee for cause.

"The employee's right to fair notice and an opportunity to present his side of the story is not a matter of legislative grace, but of constitutional guarantee," Brennan said.

### Other views

Justice Thurgood Marshall would have gone further. He expressed his belief that "before the decision is made to terminate an employee's wages, the employee is entitled to an opportunity to test the strength of the evidence by confronting and cross-examining witnesses" and engaging in other judicial procedures.

The lone dissent was by Justice William H. Rehnquist, who argued that a state may impose procedural limits on a property interest in continued employment which is created by state law.

In other actions:

● The high court ruled 5-4 that workers on offshore drilling platforms in state waters are not engaged in "maritime employment" and therefore are not covered by the death and disability benefit provisions of the federal Longshoremen's & Harbor Workers' Compensation Act. The majority opinion, also by Justice White, reversed a ruling by the 5th Circuit Court of Appeals in New Orleans.

● An 8-0 decision by the Supreme Court upheld amendments to the Rail Passenger Service Act that required Amtrak to restore the right of railroad workers and their families to reduced-fare rail travel, but at the expense of the employees' former home railroads. Five railroads sued, arguing that they had shed all their obligations when they turned over passenger service to Amtrak, and they were upheld by the 7th Circuit Court of Appeals. The Supreme Court reversed this action, saying that the amendments had imposed a new obligation.

● The Supreme Court struck down the $1,000 limit imposed by federal law on spending by political action committees (PACs) on behalf of presidential candidates in general elections. The 7-2 opinion written by Justice Rehnquist held that the spending limit violated the 1st Amendment rights of free speech and association.

The limit set forth in the Presidential Election Campaign Fund Act has come under repeated legal challenge and has never been enforced. Candidates of the Republican Party have been the chief beneficiaries of heavy spending by PACs.

Justices White and Marshall dissented from the decision.

# Columbia agrees to interim steps toward contract

New York — Clerical and technical workers at Columbia University represented by Auto Workers District 65 reached an agreement with the university that averted a strike over prolonged delay by the National Labor Relations Board in certifying a representation election.

Under the interim agreement, Columbia agreed to recognize District 65 as bargaining agent for the 1,100 workers as soon as the NLRB certified the election results and to begin negotiations on a contract.

A week later, the NLRB certified the union's narrow May 1983 victory, which Kitty Krupat, District 65 public affairs director, termed a "tremendous achievement" for all university workers who are "on the cutting edge of unionization."

She said that recent settlements won Locals 34 and 35 of the Hotel Employees & Restaurant Employees at Yale University provided "breakthrough," and that District 65 negotiators would look closely at them as models at Columbia.

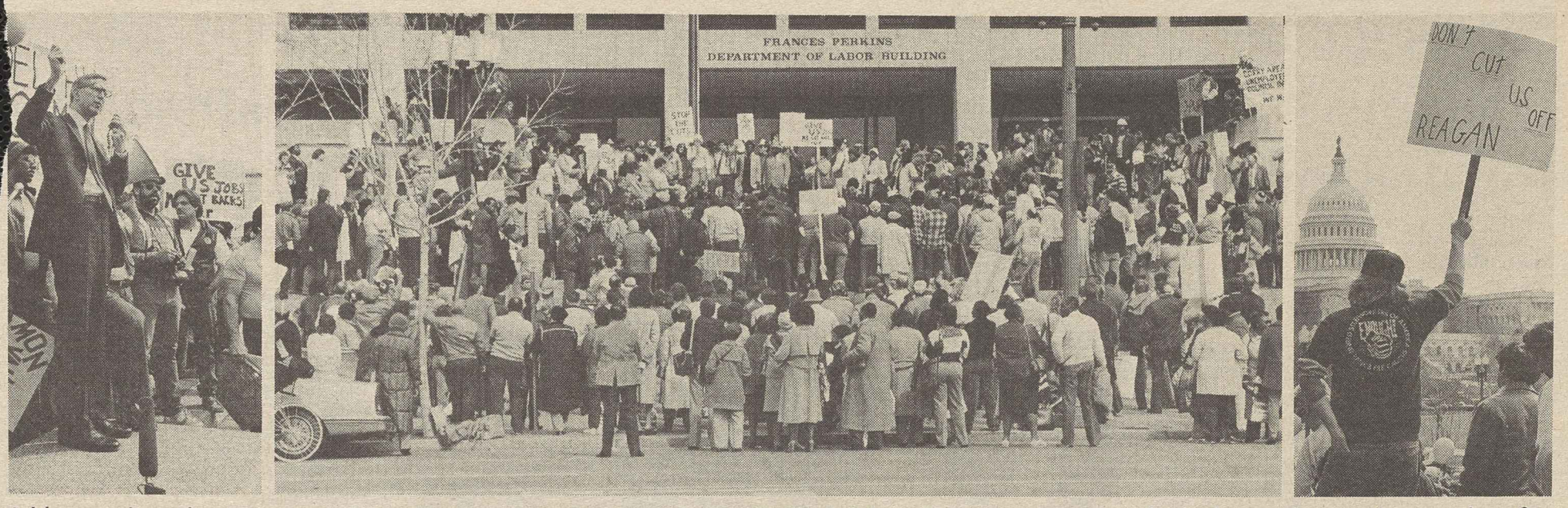
Columbia will make no unilateral changes in benefits until a contract is worked out. The university also agreed that in the last phase of an employee grievance procedure a union representative would be present.

Krupat said wage improvements would likely be a chief issue when bargaining gets under way. Other issues will be health and safety, affirmative action and an improved grievance procedure, she said.




## Congress watch

Delegates to the Boilermakers legislative conference are advised by AFL-CIO Sec.-Treas. Thomas R. Donahue to let their senators and representatives know they are watching how Congress addresses labor's agenda. The 250 delegates, in a weeklong session, also made the rounds of the Capitol Hill offices.




Jobless workers demonstrate at Labor Dept. as Rep. Donald J. Pease (D-Ohio), left, calls for an extension of supplemental unemployment benefits.

# Rally spotlights plight of nation's jobless workers

**By Candice Johnson**

Jobless workers from eight states sent an angry message to Congress and the Reagan Administration that the unemployed need "jobs, not hot air."

Nearly 1,200 workers rallied on the steps of the Labor Dept.'s headquarters building to dramatize the nation's continuing high unemployment rate and urge Congress to preserve the Federal Supplemental Compensation program, set to expire Mar. 31. If Congress does not act, nearly 400,000 jobless persons will be denied further unemployment benefits.

The demonstrators released helium-filled balloons to underscore their call for "jobs, not hot air." Sponsors of the rally included the AFL-CIO Industrial Union Dept., the Full Employment Action Council, the Steelworkers, and the National Unemployment Network. Participants held afternoon meetings with their congressional representatives.

As the deadline neared, House Speaker Thomas P. O'Neill, Jr., sent an urgent letter to President Reagan asking his support for some form of emergency action to prevent the cutoff of FSC payments.

The Labor Dept. has opposed an extension, and O'Neill saw little hope for getting a bill through the Senate unless the President signals his support.

Five busloads of workers came from western Pennsylvania, hard-hit by layoffs and steel mill closings. Sheryl Johnson of the Mon Valley Unemployed Committee called the rally and lobbying effort the last chance for the long-term unemployed.

"We have to be persistent today and get some answers," she said.

Steelworkers' locals in Cleveland and Lorain, Ohio, helped three busloads of unemployed workers make the trip. They were joined by members of the Plumbers & Pipefitters from Cleveland and Akron in appealing for "fairness and justice, not handouts."

### Desperate need

Fran Christovich of the Cleveland Council of Unemployed Workers reported that the city's home foreclosure rate is the highest in the nation and that jobless workers there are desperately in need of help.

"All we can do is unite and try to make our voices heard," she said. "We're tired of excuses."

The demonstrators included white-collar as well as blue-collar workers. Carolyn Clayton, a psychiatric aide from Philadelphia reported that her job had been made part-time and her wages reduced to $4 an hour.

Loretta Horton, an organizer for the Communications Workers, and Holly Craker represented the People's Coalition of Missouri. Horton said fewer than 30 percent of the state's unemployed receive any compensation and that 14,000 workers in the state face loss of their benefits if the FSC program expires. Horton pointed out that Missouri, like most other states, has no other program to help the long-term unemployed.

IUD President Howard Samuel stressed the seriousness of the long-term unemployment problem by pointing out that the economic recovery has bypassed millions of persons. He urged the demonstrators to send a clear message to Congress that working people need help and that the federal compensation program must be extended.

Pennsylvania AFL-CIO President Julius Uehlein told the crowd the Reagan Administration hopes to use the army of unemployed against workers and their unions.

"Reagan's plan for 30 million unemployed workers is to bust unions," Uehlein charged. "People working are afraid to strike; they're accepting concessions; they know unemployed workers are ready to step in."

But this divide-and-conquer tactic can be defeated, he stressed: "We've got to hang together now."

Evelyn Dubrow, a vice president of the Ladies' Garment Workers, said the government apparently has forgotten that jobless workers who receive no unemployment benefits cannot buy the goods America sells. She urged participants to keep up the fight in their home districts and stressed that labor's "main fight is for jobs."

### Unshared recovery

Jack Sheehan, Steelworkers legislative director, said the Reagan Administration needs a strong reminder that many communities have not shared in the economic recovery.

Robert McGlotten, AFL-CIO associate director of legislation told the rally that "members of Congress need to hear from you" in Washington and back home.

The crowd also heard from senators and representatives who are pressing legislation to extend FSC benefits, including Rep. Donald J. Pease (D-Ohio), Rep. Sander Levin (D-Mich.), Sen. Carl Levin (D-Mich.), and Sen. Arlen Specter (R-Pa.).

At a news conference the following day, House Speaker O'Neill said he is prepared to bring an extension bill to a vote if there is a chance that it will become law and not be "an empty exercise." His letter to Reagan, O'Neill said, was "appealing to his decency."

# UAW ratifies pact covering 7,000 at Jeep factory

Toledo, Ohio — The Auto Workers ratified a new three-year agreement with the Jeep Corp. that provides wages and fringe benefit improvements for some 7,000 UAW members.

The agreement, which averted a walkout, is similar in most respects to settlements between the union and the Big Three auto makers reached late last year. The UAW said 74 percent of members voting approved the contract.

It replaces an agreement that expired on Jan. 31 and provides for three lump-sum payments of 3 percent of a worker's previous year's straight-time earnings, payable each January in 1986, 1987 and 1988.

Workers received a $200 special payment upon ratification and $2.85 in cost-of-living adjustments under the old contract were rolled into wage hourly rates.

The settlement, covering office employees, engineering staff, and skilled craft workers, includes a job security program similar to that agreed to by Ford and General Motors. Jeep agreed to commit $16 million to a fund to continue pay or provide job training for workers displaced due to technological development, productivity improvements, or "outsourcing," the industry term for subcontracting work outside the company.

Under the old contract, workers had agreed to an "employee investment program" with Jeep's parent company, American Motors Corp., under which they gave up certain wage and cost-of-living increases.

# *Negligent labor law enforcement bolsters union-busting consultants*

Indianapolis—Management consultants who coach employers in union-busting are the direct descendants of the hired thugs and professional strikebreakers of an earlier generation, union attorney Jules Bernstein charged.

Today's employer consultant industry goes in for "more ingenious and subtle forms of union-busting," Bernstein said. But its goal is the same, to prevent workers from organizing and to thwart collective bargaining.

Bernstein said inadequate enforcement of existing federal labor laws, as well as flaws in the laws themselves, has contributed to "the growth of the modern union-busting industry." His remarks were made at a labor law conference sponsored by Indiana University's School of Law and the National Labor Relations Board.

He was especially critical of the Labor Dept. under the Reagan Administration for its lack of enforcement of a section of the 1959 Landrum-Griffin Act which requires detailed disclosure reports from consultants involved in "persuading" workers regarding their choice of union representation.

"The law as it is written is far from toothless," Bernstein noted, and there is much the Labor Dept. can do to make it work.

Instead, he protested, "the department appears these days to be aggressively applying its investigatory authority almost exclusively against unions and union officials while the employer and consultant reporting provisions are being treated as dead letters."

Bernstein, who is a member of the law firm of Connerton, Bernstein & Katz, also was critical of the NLRB's reluctance to act against "unscrupulous employer consultants."

He suggested that the NLRB consider:

- Naming consultants as well as employers in unfair labor practice complaints with greater frequency than is now the case.
- Keeping agency-wide records of a pattern of consultant abuses of federal labor law "for possible broad remedial action."

Bar associations, too, should consider disciplinary action against attorney consultants "who promote illegality," Bernstein suggested. And the government should stop reimbursing its contractors for anti-union expenditures, he said, and for legal expenses they incur in contesting NLRB orders.

Lawyers who specialize in opposing union representation often go "far beyond" the legitimate function of "legal advice and counsel," he said.

"Attorneys now operate as strategists for employer 'Vote No' campaigns," Bernstein said, and often flout both the law and professional ethics in their actions. He said lawyer consultants conduct seminars in promoting decertification of unions, even though the law prohibits employers from promoting decertifications.

Too many employers, Bernstein suggested, "appear to perceive the law not as a system which has attempted to humanize and democratize labor relations, but as a set of rules to be bent, evaded and broken."

# 3-year accord settles Filene's strike

A new three-year contract with wage increases totaling 14.5 percent brought settlement of a six-day strike at Filene's department stores and distribution centers in Massachusetts and Rhode Island.

Members of Food & Commercial Workers Local 1445 ratified the agreement, which covers some 3,600 employees at 14 Filene's retail facilities and distribution centers. Local Business Agent John Phinney said most of the employees covered by the contract are retail clerks. It was the first strike in the 40 years the union has represented Filene's workers.

The wage package calls for increases of 4.5 percent for 1985 and 5 percent each year in 1986 and 1987. Lump sum payments totaling $500 a year were negotiated for those working on commission.

The company agreed to absorb increases in the cost of health care benefits in the final two years of the contract up to $10 a month for family coverage and $5 a month for individual coverage. Phinney noted a number of health care cost containment provisions in the contract including the option for coverage by a health maintenance orgainzation.

# Nicaraguan labor presses for dialogue

Managua—The Nicaraguan labor movement called on all sectors of this divided country to join in a national dialogue to bring peace, freedom and justice to its people.

In an address to a fact-finding mission of the International Confederation of Free Trade Unions, Sec.-Gen. Alvin Guthrie of Nicaragua's Confederation for Trade Union Unification (CUS) warned:

"We cannot begin to reconstruct our ailing country so long as there is no genuine and authentic national dialogue leading to an effective political pluralism and to authentic trade union freedom. . . .

"So long as there are no basic pillars of democracy, it will be difficult to have peace in our country. It was for those sacred ideals that the Nicaraguan people went to war against the rightist dictator Somoza."

Guthrie said that CUS is willing to forget the harassment dealt its members by the Sandinista government on condition that the Sandinistas promote a "realistic and genuine democracy" in Nacaragua.

"We know and we are certain that if the Sandinista government enters into sincere dialogue with all sectors of the opposition, with the firm objective of achieving peace in Nicaragua, the effort of reconciliation . . . will certainly meet with a positive response," Guthrie declared.

The 17-member ICFTU mission, which included Executive Director William C. Doherty, Jr., of the AFL-CIO's American Institute for Free Labor Development, will present its report on the trade union and human rights situation in Nicaragua to the ICFTU executive council's meeting in Washington on Apr. 15.

Besides Nicaragua, the mission visited the Dominican Republic, Panama, Costa Rica, El Salvador, Guatemala and Honduras.




**Saving the farm**

Auto Workers and Clothing & Textile Workers in Glenwood, Minn., join with their farming neighbors to stop the foreclosure sale of a family farm. Gathered outside the Pope County courthouse, the farm-labor coalition got the sheriff to postpone one sale because of their activity, but he also had 24 pickets arrested.

# *Chrysler workers to get cash bonus, auto discount*

Detroit — Auto Workers at Chrysler Corp. will receive a double $500 "thank you" for their sacrifices in helping return the nation's third largest automaker to excellent financial health, UAW President Owen Bieber and Chrysler President Lee Iacocca announced.

Bieber and UAW Vice President Marc Stepp, director of the union's Chrysler Dept., said a special one-time bonus of $500 will be paid to all workers who were on the payroll at the end of 1984.

Further, the Chrysler workers will be eligible for a $500 discount on the purchase of a new Chrysler product, provided they exercise the option and order a new vehicle by Apr. 30, or purchase one from a dealer by June 6, Bieber and Stepp reported.

Bieber credited the union's seat on the Chrysler board of directors for the special bonus. "The board is acknowledging the enormous contribution of the Chrysler workers to the corporation's return to robust profitability."

Chrysler posted profits of $2.4 billion in 1984 on sales of $19.6 billion. Between 1979 and 1981, however, the UAW members' concession aided the company by an estimated $2.5 to $3 billion. The sacrifice was even greater than money, though, as the workforce shrank from around 100,000 to 45,000 at the low point. It has rebounded to just over 60,000 active UAW members.

Bieber and Stepp emphasized that the one-time bonus will in no way change the union's overall position on bargaining when talks open to replace the contract that expries on Oct. 15.

The union will be pressing to bring the Chrysler workers' wages, benefits and working conditions "back on track with their sisters and brothers at General Motors and Ford," they said.

# 25,000 jobs threatened by Amtrak slash

The Reagan Administration's plan to derail all funding for Amtrak would force its shutdown, wipe out 25,000 jobs and cost taxpayers billions of dollars, Congress was warned.

Railway & Airline Clerks President Richard I. Kilroy and James R. Snyder, legislative committee chairman of the Railway Labor Executives Association, were joined by Amtrak President Graham Claytor in detailing the impact of the Administration move to a House transportation subcommittee.

Snyder said the loss of 21,000 Amtrak jobs and some 4,200 jobs on other railroads that perform services for Amtrak would take $524 million in revenues from the 44 states where Amtrak operates. Hardest hit would be Pennsylvania, Maryland, New York and New Jersey, he said.

Key among the government's expenses if Amtrak closed would be the payout of $2.1 billion over six years for labor protection expenses to Amtrak employees as provided for in the 1971 legislation establishing Amtrak.

Snyder noted that in addition to the $2.1 billion, $200 mililon more in liabilities would be incurred by the carriers with which Amtrak contracts for passenger service. He stressed, too, that the elimination of 25,000 jobs would also have an adverse impact on the railroad retirement system.

### Recouping savings

Kilroy, whose union represents about 7,000 of the Amtrak workers, pointed out that the 1981 contract between Amtrak and its unions provided for wage deferrals of up to 12 percent, which saved the railroad about $150 million. BRAC members account for about $51 million of that savings, Kilroy said, but union negotiators intend to recover that amount from Amtrak, rather than grant further concessions.

"Amtrak and the U.S. government are absolutely responsible for the full and justifiable monetary protections negotiated in good faith for the employees in the service of Amtrak," Kilroy and Snyder stressed.

Claytor told the subcommittee that the government's first-year liability under the labor protection agreements would be $645 million, which is larger than Amtrak's operating expenses for 1985. He stressed that the Senate Budget Committee's plan to scale back funding in fiscal 1986 to $479 million and lesser amounts in the subsequent two years is also "unworkable" as it would trigger cuts in service and steep labor protection payments.

# Kirkland welcomes selection of Brock as Labor secretary

**Continued from Page 1**

expressed the hope that his successor would be "a person who enjoys the respect and confidence of labor as well as management and the public at large."

As Kirkland put it, the new secretary should "vigorously pursue" the mission set by Congress in the 1913 law establishing the Dept. of Labor. According to the law, the department is "to foster, promote and develop the welfare of the wage earners of the United States."

Brock had a conservative voting record during his eight years in the House and six years as a senator from Tennessee. He was defeated for re-election to the Senate in 1976 by labor-backed James R. Sasser, and subsequently became Republican national chairman. He is 54 and before entering politics was an executive officer of his family's candy company in Chattanooga.



WILLIAM E. BROCK

As Republican chairman, he broke new ground with a determined effort to build bridges to groups traditionally aligned with the Democratic Party, insisting that Republicans "have to stop talking just to each other."

Soon after his appointment as U.S. Trade Representative, a Cabinet-level position, Brock met with the AFL-CIO Executive Council to discuss trade issues which then as now were high on labor's agenda.

Later, meeting with reporters, Brock said he had come to the council meeting because he will need the help of the nation's union leaders in dealing with complex trade negotiations because "they know the problems."

At the White House news briefing where his appointment was announced, Brock acknowledged the sharp rift between the Donovan Labor Dept. and the trade union movement.

### Open talks

"We have a lot of communicating to do," he told reporters. "But that's precisely what I would like to do."

Brock said he had phoned Kirkland after accepting the appointment and described the AFL-CIO president as "a man I have a great respect for, and a man I think I can work comfortably with."

At a congressional hearing the next day, dealing with taxation of job-related benefits, Kirkland said in response to a question that he had hopes that Brock's appointment will restore the Labor Dept. "as a significant instrument for the advancement of working people."

Brock's nomination will be considered first by the Senate Labor & Human Resources Committee and then put to a confirmation vote of the full Senate.



**Keenan portrait**

Original drawing of the late Joseph D. Keenan, long-time IBEW officer and AFL-CIO vice president, will hang in the George Meany Center for Labor Studies. It is held by the artist, William A. Schroeder, retired vice president of the Graphic Communications Union. With him are Electrical Workers Sec. Ralph A. Leigon and Mrs. Keenan.

# EDITORIALS

## A Test of Fairness

THE INDUSTRIAL nations of the world have looked upon health care, education, retirement security and life, disability and unemployment insurance as fundamental necessities.

Most have dealt with them through government programs financed through general revenues. In all of the countries that have chosen this path, such programs have been endorsed, maintained and expanded by successive governments, liberal and conservative alike.

The United States has chosen a different path. Congress chose to try to meet these needs by encouraging the untaxed diversion of a part of each worker's wage to meet perceived social needs.

The success of this social policy is testified to by the fact that 140 million people now have job-related health-care insurance protection in the United States. Thus, this is not a tax incentive that has benefited only a small, powerful minority or a narrow, special-interest lobby.

This network of protection was created under the leadership of the American trade union movement, through the institution of collective bargaining, but it has long since become deeply embedded in the nation's whole employment structure.

IT WOULD BE HARD to overstate the role of this life-support network in developing the nation's economy.

Until the late 1930s, working people and their families lived with the constant fear that illness or disability would mean dispossession and impoverishment as well. Such is still often the case if the job-related life-support system is disrupted by unemployment, as we saw in the recent recession. To many families whose breadwinner was laid off or fired, the loss of health-care insurance coverage proved a greater blow than the loss of the job itself.

Some found that even a short hospital stay wiped out all their savings. Others, without insurance or cash in hand, were stopped at the hospital door and sent to public health facilities, putting a heavy strain on public resources.

With the experiences of the recent recession freshly in mind, Congress ought to be considering ways to strengthen the private life-support system rather than devising new taxes to undermine it.

The attack on employee benefit programs is taking place at a time of huge and deepening federal deficits. But the tax treatment of benefits is not the source of this crisis. The revenue shortfall should not be met by levying additional burdens on working people and adding to the unfairness that has characterized economic policies of the past several years.

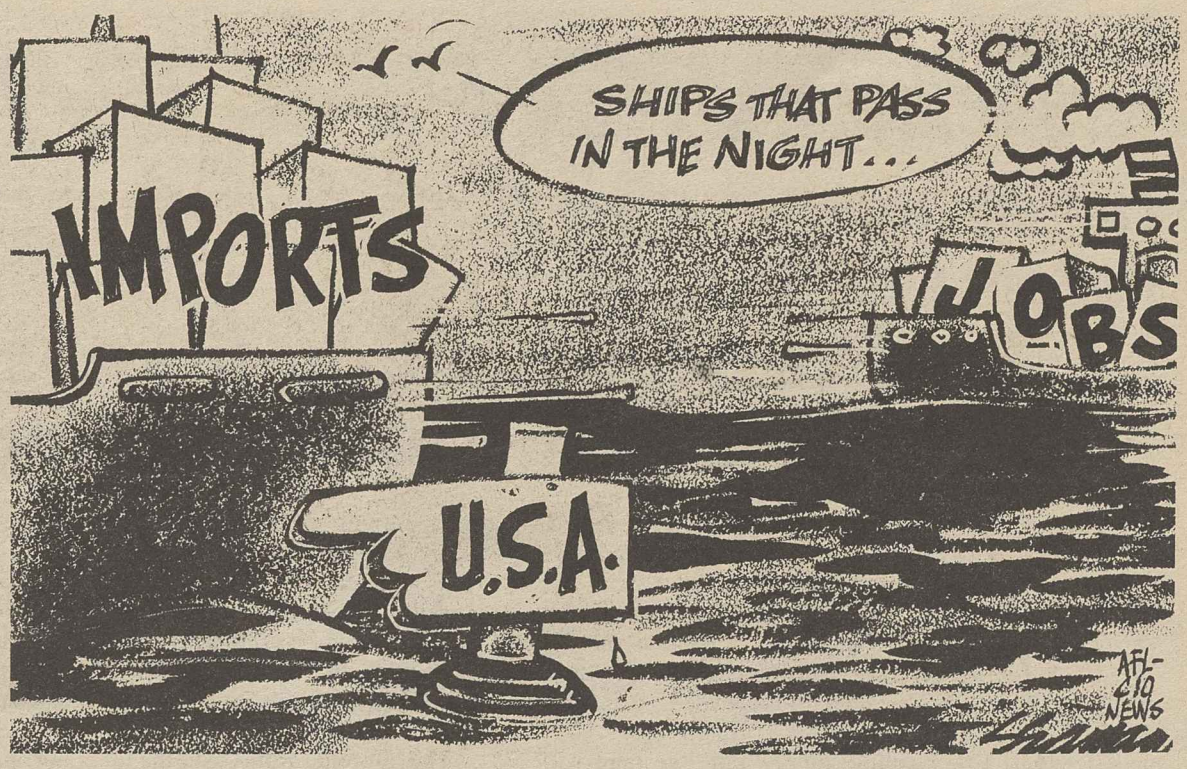
TAXING WORKERS' life-support benefits has been a part of this Administration's agenda since its earliest days. Health insurance, accident and life insurance, unemployment compensation, workers' compensation, day care, education programs, group prepaid legal plans—even pensions—are all on the hit list. The Bradley-Gephardt "fair" tax plan, it should be noted, also would tax employee benefits.

The Administration and others who would tax benefits seek to justify this effort with the notion of equal treatment of similarly situated taxpayers. This would make some sense if applied to preferences and abuses motivated by tax avoidance with few, if any, redeeming features. Unfairness is epitomized by such abuses as expense account living, country club membership, and other questionable preferences that discriminate in favor of those at the top. Such practices have no social purpose, and certainly should not be encouraged by the tax code.

In contrast, the employee benefit programs under attack are not frivolous perks or gimmicks to shelter income. They don't generate phony losses or otherwise reduce the taxes of the privileged, but are widely distributed in the national interest.

It is unfair that all workers do not benefit by an adequate medical program, pension protection, life insurance and other benefits. But such inequities should be resolved through public and private policies that encourage a leveling-up of benefits, not by policies that seek to reduce everyone to the lowest common denominator.

*—From testimony by AFL-CIO President Lane Kirkland before House Committee on Education & Labor, Mar. 21, 1985.*




**Washington Window**

# Reagan turns deaf ear to workplace noise curb

**By Press Associates, Inc.**

When the hearing conservation amendment to the federal noise standard was issued in January 1981, organized labor had good reason to celebrate. But not because the new rule was perfect as far as unions were concerned. It wasn't as strong as they would have preferred.

The amendment was important because it was the first time the federal government had really sanctioned labor's concept that just because a worker takes a job to make a living doesn't mean he or she must give up the right to hear.

Previously, the federal government had limited worker noise exposure to 90 decibels averaged over eight hours, reached through administrative and engineering controls. This was done first in 1969 under the Walsh-Healey Act by covering workers whose employers held federal contracts and then under the Occupational Safety & Health Act of 1970, which expanded the rule to employers engaged in interstate commerce.

Measurable hearing loss is possible at 90 decibels. The 1981 amendment culminated a decades-long struggle by labor to make employers responsible for work-related hearing loss through noise level monitoring, employee hearing tests, education and training and extra hearing protection when noise levels were 85 decibels or more—a level classified as "very loud" by noise experts.

### Administration action

Labor's celebration was short-lived. Weeks after the Reagan Administration took office, then-Labor Sec. Raymond J. Donovan postponed the effective date of the hearing conservation amendment. After the AFL-CIO sued, the White House and the Occupational Safety & Health Administration let some parts of the new rule go into effect while it reviewed other provisions.

The Reagan action wasn't a surprise. White House budget director David Stockman earlier had targeted the hearing conservation amendment as an example of federal regulation adding to businesses' expenses, estimated at $270 million annually or $53 per worker per year for some 5.5 million workers.

The Administration seized every chance to further erode the standard which was so objectionable to business. After a 9th U.S. Circuit Appeals Court decision on Castle and Cooke that allowed cost-benefit analysis to be applied to the noise rule, OSHA amended the noise standard through a policy directive to its regional field offices.

### Rule struck down

Then came the worst blow. The 4th U.S. Circuit Appeals Court in Richmond, Va., acting on a case brought by the Forging Industry Association, struck down the amendment. It ruled that the hearing conservation rules went beyond OSHA's authority because they made employers responsible for hearing loss that may be caused by non-occupational hazards, such as loud rock music or motorcycle noise.

OSHA hemmed and hawed, but finally asked the court to review its decision—the first step in what may be a lengthy appeals process. Meanwhile, OSHA directed its field offices not to enforce the hearing conservation amendment.

Where does this leave enforcement of the noise rule? Experts debated that question at a recent meeting of the Urban Environment Conference, a coalition of labor and environmental groups.

Dr. Alice Suter, a noise abatement expert formerly with the Environmental Protection Agency and OSHA who is now a private consultant, said noise programs "are mostly gone at this point."

One thing is certain, Suter said: The current state of hearing protection leaves American workers light years behind the protections in other industrial nations, such as West Germany, Sweden and the Soviet Union. In those nations, noise is viewed as life-threatening through its contribution to stress-linked diseases.

For the Reagan Administration, it seems noisy workplaces, hearing loss and noise-linked stress diseases are the price American workers must pay for their jobs.

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# MEMO FROM COPE

*Supreme Court Rules...*

## For Presidential Candidates Sky's Limit on PAC Spending

The U.S. Supreme Court told non-party political committees (PACs) they can go ahead and keep doing what they've been doing anyway.

That is, they can raise and spend unlimited sums on behalf of presidential nominees as long as there's no contact or coordination with the candidate's committee. These are so-called "independent expenditures."

The court's 7-2 ruling simply put its stamp of approval on a practice used lavishly in 1980 and 1984 presidential campaigns by right-wing PACs supporting the Reagan candidacy.

In 1980, for example, three ad hoc PACs spent nearly $15 million to boost Reagan. In 1984, more than $16 million was put into "independent expenditures" for the President, most of it by the National Conservative PAC (NCPAC).

(Such spending skews the intent and use of public financing of presidential campaigns, which was meant to equalize candidate funding.)

It was NCPAC's expenditures that were challenged by the Democratic Party and the Federal Election Commission. They charged such expenditures were in violation of the $1,000 spending lid the law says applies to PACs for presidential candidates.

The Supreme Court said the lid is unconstitutional, basically on First Amendment grounds. Writing for the majority, Justice William Rhenquist said setting a limit on PAC expenditures on behalf of a presidential candidate would be "like allowing a speaker in a public hall to express his views while denying him the use of an amplifier."

Writing in dissent for himself and Justice Thurgood Marshall, Justice Byron White said the First Amendment "protects the right to speak, not the right to spend, and limitations on the amount of money that can be spent are not the same as restrictions on speaking."

White said the majority's "credulous acceptance of the formal distinction between coordinated and independent expenditures blinks political reality. That the PAC's expenditures are not formally 'coordinated' is too slender a reed on which to distinguish them from actual contributions to the campaign."

It is questionable now just what impact the court decision will have on future presidential campaigns. Right-wing PACs undoubtedly will continue to raise and spend funds as they have the past two presidential elections. Perhaps the decision will lead to a spate of Democratic-leaning PACs doing the same for their favored candidates.

One thing it's sure to do is further enrich the networks that carry the ads and the professionals who prepare them.

### Senate Contest Spending Soars

**U.S. Senate candidates spent $136.9 million in 1984 general elections, up 21 percent from 1982, a Common Cause study shows. For the 65 candidates, average spending was more than $2 million.**

**Political action committee (PAC) contributions to Senate candidates were $27.9 million, according to the study, a boost of 28 percent over 1982.**

**Meanwhile, final (or semi-final) figures showed, to nobody's surprise, that the North Carolina Senate race exceeded all others in contributions and spending. Sen. Jesse Helms raised $16.5 million and spent $16.2 in his successful re-election campaign. His opponent, Gov. Jim Hunt, didn't do so bad, either. He raised a little more than $10 million and spent $9.2.**

**In Texas, Phil Gramm shelled out $9.4 million to get elected to the Senate, and loser Lloyd Doggett put up $5.5 million.**

*$4-$5 Million Fund*

## GOP Starts 'Softening Up' Targeted Dems

It's called a "softening up" process.

Its premise is simple: Take a bunch of money and start using it early to attack about 30-40 incumbent House Democrats.

Then, keep up the attack right to election day 1986.

The plan is the National Republican Congressional Committee's. The fund for its 18-month campaign to unseat potentially vulnerable Democratic incumbents is now $4-$5 million. If the committee needs another $4-$5 million—or more—that'll be no big deal. Money has not been a GOP campaign problem for several years. The party is awash in it.

No "hit list" as such has been released, but much of it can be inferred, and it could include an odd blend of conservative and more mainstream Democrats.

For example, Rep. Guy Vander Jagt (Mich.), chairman of the GOP campaign committee, said many of the targets would be Democrats who "grabbed Reagan's coattails" to get elected or re-elected in 1984 then failed to support Reagan in the current session of Congress.

Vander Jagt said the records of these Democrats would be widely publicized by the GOP in their districts if they indeed show opposition to Reagan's program. Most of this element in the target group would be in the South and West, where 19 of the 30 closest House elections occurred last November.

By inference, other incumbents getting the early treatment will be mainstream Democrats who made it by a thin edge in November.

The GOP campaign will involve both direct mail and media advertising. More than $200,000 is earmarked per target district. However, this figure could balloon since there is no legal limit on the amount the committee can spend. That's because these will be so-called "independent expenditure" campaigns not directly urging the election or defeat of specific candidates, but rather "explaining" an incumbent's record and position on issues.

Republicans are optimistic about the potential impact of this campaign and other 1986 campaign efforts. They point to recent polls that show the GOP just about neck and neck with Democrats in voter party preference. They particularly are buoyed by present GOP strength among young voters.

Democrats aren't rolling over and playing dead, however. Said Rep. Tony Coelho (Calif.), chairman of the Democratic House campaign committee, "We're going to be out there just as aggressively . . . as they are."

## Rightists See Their Own 'Golden Age'

Well, here's another "golden age."

A couple of months ago, Republican leaders—Sen. Paul Laxalt (Nev.) for one, GOP party chairman Frank Fahrenkopf for another—were heralding an approaching "golden age" for the GOP.

The phrase caught on with ultra-conservatives who, at a recent national meeting, were told that they had created "the golden age of American conservatism." (This news was spilled by William Rusher, publisher of National Review.)

Some believe a "golden age" for one is a "golden age" for the other. In fact, the conservatives practically picked the GOP's 1988 presidential candidate. In a straw poll, 39 percent went for Rep. Jack Kemp. But Vice President George Bush showed surprising strength with 35 percent support. The real sentimental favorite, Jesse Helms, picked up 10 percent.

The numbers that most reveal the fight for control of the GOP that will soon enough break through the surface show in the straw vote for Senate Majority Leader Robert Dole (Kan.) and his predecessor Howard Baker (Tenn.) who did not seek re-election last year.

Both are considered authentic, credible candidates for the 1988 GOP nomination. Both have solid GOP credentials. Both have national recognition.

Neither one of them got a *single vote* from among the 269 ultra-conservative activists who responded to the straw poll. It's as if they don't exist as Republicans. They are mainstreamers, but if the ultra-conservatives have their way, the mainstream will shift far to the right, leaving the Doles and Bakers and others like them isolated on a distant left bank.

Of course, there is already ample evidence of stream diversion. Ronald Reagan is in the White House for a second term. The ultras controlled the last GOP convention. They have large representation in the House and Senate and increasing power in the White House itself.

There will be a struggle to see whose "golden age" it's going to be . . . and the fight could louse it up both for mainstream and for ultra-conservative Republicans.

Rusher himself warned against it. He said conservatives could mess up their own "period of dominance and unity" because temperamentally "there are some who can't stand that. They have a siege mentality. They can't stand success." Amen.

### One Vote Counts!

**Barbara Casey of Roswell, N.M., doesn't have to be convinced that one vote counts.**

**Last November she won her state legislative race by 110 votes. At least, that's what she thought.**

**But errors and a cache of uncounted absentee ballots overturned the result and gave Ms. Casey's opponent, Melodi Salas, a one-vote victory—2,687-2,686. At least, that's what Ms. Salas thought.**

**Ms. Casey called for a recount, got it, and won it . . . by just *three* votes—2,693-2,690.**

**One vote counts!**

## Helms's PAC Charged With Violations

While Jesse Helms is busy looking for ways to buy control of CBS so folks will get their news straight and without any "liberal bias," his political action committee is defending itself against charges of violating the election laws.

The Federal Election Commission filed suit against Helms's National Congressional Club, one of the nation's most successful fund-raising PACs, and Jefferson Marketing Inc. The latter does political advertising and consulting. The FEC charges Jefferson Marketing counts on the National Congressional Club for most of its business and revenue, that it receives interest-free loans from NCC and "was created, financed and controlled" by NCC officials R. E. Carter Wrenn and Thomas Ellis.

The two groups are, in effect, one, the FEC says, and are in violation.

Chargese of illegalities by Helms's PAC come at a time when the North Carolina senator is spearheading a national effort to cram ultra-conservative views down the throats of the news media through acquisition of stock.

The particular target is CBS, but the media at-large could become gun-shy if the stock purchase plan Helms is pushing appears to catch on.

Helms's campaign to get conservatives to buy stock in CBS is being run by Fairness in the Media, which just happens to be led by Carter Wrenn, an official of Helms's Congressional Club.

AFL-CIO news

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# City workers, mayors join in budget protest

By Candice Johnson

Teachers, firefighters, truck drivers and thousands of other city workers joined mayors, students and senior citizens at the U.S. Capitol to protest the Reagan Administration's proposed budget cuts in urban programs.

The rally, sponsored by the U.S. Conference of Mayors, brought nearly 5,000 workers from cities across the country to urge Congress to support a fair federal budget.

The Administration has proposed deep cuts in several programs vital to urban areas, including elimination of the $4.6 billion general revenue sharing program, an end to Urban Development Action Grants, reductions in mass transit and a freeze in housing aid.

The Reagan budget would cut back aid to state and local governments by $11.8 billion, forcing most jurisdictions to raise taxes, cut social services or both.

### Need and neglect

President Gerald McEntee of the State, County & Municipal Employees told the crowd that the White House has declared war on every level of government and "aimed its guns at every Main Street in America." Its principal weapon, McEntee said, is the proposed budget slashing aid to cities by 50 percent. McEntee observed that "real people" live in the President's "shining city on the hill," and "they must deal with the realities of city life, and the ugliness of need and neglect." He said labor would be in the fight for a fair budget for as long as it takes.

Teachers President Albert Shanker noted that organized labor historically has supported both a strong national defense and social justice at home.

"We say don't destroy this country to maintain only one part of what the Constitution demands," Shanker declared "We must provide for the common defense and promote the general welfare." He called on Congress and the Administration "to do justice to our citizens."

A contingent of firefighters and police in dress uniform from Scranton, Pa., attested to that city's financial crisis. Scranton must cut its payroll by $3 million and plans to furlough 50 firefighters, according to IAFF member Jim Cooney. The only alternative to the layoffs is a 5 percent tax increase, but Cooney believes that Scranton, with one of the nation's largest populations of senior citizens, cannot afford higher taxes.

IAFF president John A. Gannon earlier had warned that the elimination of rev-

Continued on Page 4

The American Federationist

PAGE 5

# House showdown near on jobless aid renewal



Federation Vice President J. C. Turner raps Administration foot-dragging on toxic waste dump safeguards. With him at House hearings are Richard Duffy of the Fire Fighters and the AFL-CIO's Margaret Seminaro.

## *April benefit cutoff looms for 325,000*

House Democrats stiffened their backbones and agreed to put up a fight to continue a still-needed program of federal benefits for America's long-term unemployed.

President Reagan wants to let the Federal Supplemental Compensation program die, which would mean that more than 325,000 long-jobless workers would get their last benefit checks early in April.

For a time, it appeared that he would get his way by default. An extension bill languished in a Ways & Means subcommittee, and House leaders expressed reluctance to do battle in the face of White House opposition.

### Timetable set

But with the spur of a hastily convened Democratic caucus, the Ways & Means subcommittee approved a stopgap bill. The timetable calls for quick action by the full committee and a House floor vote on Apr. 4, before Congress starts its Easter recess.

The subcommittee bill would continue FSC for an additional three months but reduce the duration of benefits for persons newly eligible. The program would then phase out unless Congress extended it further.

A companion bill, also cleared by the subcommittee, would make more accessible the permanent extended benefits program that now requires a very high insured unemployment rate to take effect. But even if approved by Congress and signed

Continued on Page 9

# OSHA hit for ignoring toxic waste site hazards

By Arlee C. Green

The Reagan Administration has done nothing in the last five years to protect workers who are cleaning up toxic waste dumps despite requirements of the 1980 "Superfund" law, the AFL-CIO charged at congressional hearings.

The Superfund law stipulates that the Occupational Safety & Health Administration and the Environmental Protection Agency jointly develop safeguards for the cleanup crews.

Federation Vice President J. C. Turner told a House subcommittee that given the hazardous nature of these dumps, "it is incredible that there are no OSHA standards governing cleanup work and very little OSHA inspection and enforcement activities at dump sites."

Turner, chairman of the AFL-CIO Standing Committee on Occupational Safety & Health and president of the Operating Engineers, stressed that "the greatest need is for a set of comprehensive standards governing toxic waste sites."

Margaret Seminario, the federation's industrial hygienist branded OSHA's enforcement record at toxic waste sites as "dismal." She said the agency schedules inspections only in response to complaints or requests from other agencies.

In detailing the need for a comprehensive program to protect workers, Turner told the Government Operations subcommittee that OSHA should not "waste time and effort trying to determine exposure limits to the individual chemicals and other toxics that may be at a site." A better approach, he said, would be to provide for continuous training, engineering controls, work practice rules on clean-up operations, medical monitoring on a regular basis, exposure monitoring, and effective right-to-know rules.

Turner noted that the clean-up of toxic waste sites has become a growth industry. Estimating it will take at least 50 highly trained workers at each cleanup site, "that translates into at least one million jobs," he said.

"The magnitude of the problem is mind-boggling and the dimensions of the workers' safety and health problem are directly proportional to the magnitude of the

Continued on page 10

LEGISLATIVE ALERT!

PAGE 12

# *'Violence' hearing rewrites script*

By David L. Perlman

Senate hearings intended to build a case for making picket line misconduct a federal crime under the Hobbs Act ended up instead turning a spotlight on the tactics of a union-busting management and its paid agents.

That's not the script Senate Labor Committee Chairman Orrin G. Hatch (R-Utah) had in mind when he singled out a still-continuing strike at the Missouri Portland Cement Co. operations at Joppa, Ill., to showcase "union violence."

The "violence" in support of the strike by Cement Workers Local 438, an affiliate of the Boilermakers, turned out to be quite a bit tamer than the assertion by Sen. Hatch that the hearings would show how union "threats, assaults and wanton disregard for human life" left the community "traumatized by violence."

What "violence" there was, testimony showed, came as much from hired strikebreakers and an army of private guards that outnumbered the strikers as from union members.

### Consultant brags

The union-busting strategy came in large measure from Thomas E. Hall, Jr., a hired management consultant. Hall was so proud of his "success" that he solicited other cement companies, with a letter including these boasts:

"No doubt you have heard that Missouri Portland Cement Co. has replaced its striking workforce at its plant in Joppa, Ill. This replacement of workers was conducted on a very discreet and successful basis by my firm, Hall & Associates. . . .

"I am pleased to say to you that my organization was able to recruit the necessary skilled and unskilled workers without the union ever realizing what was going on. As a result of our ability to replace Missouri Portland's workforce, the company has effected an ongoing cost savings of several million dollars as a result of:

"1. Reducing wage rates by 30 percent.

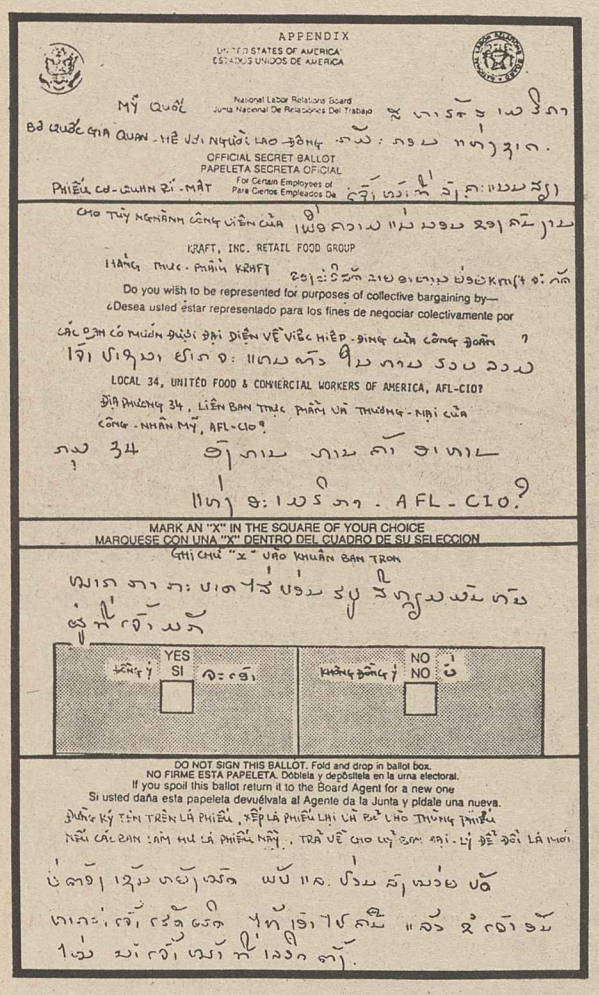
"2. Reducing benefits levels.

"3. Reducing workforce by one-third.

Continued on Page 3

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3/30/85


APPENDIX
UNITED STATES OF AMERICA
ESTADOS UNIDOS DE AMERICA
National Labor Relations Board
Junta Nacional De Relaciones Del Trabajo
OFFICIAL SECRET BALLOT
PAPELETA SECRETA OFICIAL
For Certain Employees of
Para Ciertos Empleados De
KRAFT, INC. RETAIL FOOD GROUP
Do you wish to be represented for purposes of collective bargaining by—
¿Desea usted estar representado para los fines de negociar colectivamente por
LOCAL 34, UNITED FOOD & COMMERCIAL WORKERS OF AMERICA, AFL-CIO?
MARK AN "X" IN THE SQUARE OF YOUR CHOICE
MARQUESE CON UNA "X" DENTRO DEL CUADRO DE SU SELECCION
YES
SI
NO
NO
DO NOT SIGN THIS BALLOT. Fold and drop in ballot box.
NO FIRME ESTA PAPELETA. Dóblela y deposítela en la urna electoral.
If you spoil this ballot return it to the Board Agent for a new one.
Si usted daña esta papeleta devuélvala al Agente de la Junta y pídale una nueva.

# Kraft breaks eggs on its face

Dunkirk, N.Y.—For all its attempts to bust the union by circumventing labor law and using delaying tactics, Kraft, Inc., Retail Group wound up with egg on its face, giving the Food & Commercial Workers a big victory here.

Kraft sought to decertify UFCW Local 34, but the union won a Mar. 23, 1984, representation election 119 to 112, with no challenged ballots.

Because the labor force included Hispanic, Laotian and Vietnamese workers, the National Labor Relations Board's regional office in Buffalo prepared a multilingual ballot for the election.

Kraft, which had pressed the regional office for the multilanguage ballot, subsequently filed objections with the NLRB, asking that the election be set aside on the grounds that the workers were confused by the wording.

The regional director found that all the employer's complaints lacked merit. A three-member NLRB panel in Washington disagreed, however.

In a 2-to-1 decision, the NLRB refused to certify Local 34's election victory, and ordered a second election be held at the plant. This time, there was no question of the workers' choice. They backed Local 34 by a vote of 147-81.

In dissenting from the ruling on the earlier election signed by Chairman Donald Dotson and Member Robert Hunter, Member Patricia Diaz Dennis pointed out that the non-English translations —Spanish, Laotian and Vietnamese—actually affected only three members of the workforce.

Local 34 Business Agent and Vice President George Fromm said that just to be on the safe side, the union asked for and got four separate ballots in the second election, which was held this month, with the translations performed by the NLRB in Washington.

"It is just further evidence of the need for an overhaul of the labor laws," Fromm said. "The ballot was immaterial. It only affected those three people."

Fromm branded the flap over the ballot as just another employer stalling tactic, reinforced by Reagan appointees on the NLRB.

Now board-certified, the union is in the process of negotiating a new contract with the company.

# U.S. takes another beating as foreign trade deficit soars

A sharp rise in auto imports from Japan fueled a new surge in the U.S. trade deficit in February, sending job-destroying tremors throughout the economy.

The gap between U.S. exports and imports rose to $11.4 billion, the highest monthly level since September. For Japan alone, the deficit jumped from $3.7 billion in January to $4.3 billion in February. But the imbalance with other major U.S. trading partners also continued to grow.

The worsening trade picture "demands immediate action by the Reagan Administration and Congress" to curb job-destroying imports, AFL-CIO Research Director Rudy Oswald said.

From the usually optimistic Commerce Dept. came the glum prediction that "further increases in imports and higher trade deficits lie ahead."

The Administration has insisted that the solution to the ever-rising trade deficit is increased American exports rather than restraints on imports. But the 8 percent drop in U.S. exports from January to February was worse than for any month since January 1978.

"U.S. exporters continue to struggle with the handicaps imposed by the strong dollar, slower growth abroad and by foreign import barriers," Commerce Sec. Malcolm Baldrige said.

In the job-sensitive manufacturing sector, U.S. exports of manufactured goods declined by $1.3 billion in February, while imports rose by $444 million. The worsening of the trade balance brought the manufacturing sector deficit to $9.3 billion in February.

In addition to Japan, the United States had trade deficits during February of $1.5 billion with the European Economic Community, $1.1 billion with Taiwan, $425 million with South Korea and $410 million with Mexico.

The deficit would have been higher if U.S. petroleum imports had not declined 11.8 percent over the month.

Imports of cars from Japan rose 47 percent in February, to a total of $1.56 billion. That figure was before any impact from Japan's announcement that it would increase auto imports to the United States by 25 percent.

# CWA ads push operator-backed phone service

Undaunted by CBS's rejection of its television commercial promoting operator-backed long-distance telephone service, the Communications Workers kicked off a major national advertising campaign to persuade consumers to choose such service.

The $2-million campaign got off the ground with the airing of the CWA commercial on ABC's World News Tonight, a full page ad in USA Today, a rotation of TV commercials on Cable News Network, and radio spots on Mutual Broadcasting's Larry King radio show.

The union switched to ABC rather than change the commercial to suit CBS. The network had termed the commercial "advocacy advertising" and had asked CWA to remove or change the tag line "Don't give it up," a reference to operator service.

CWA President Glenn Watts's comment was, "They sure are advocacy (ads) —consumer advocacy. We think the consumer needs to understand the benefits of operator-backed long-distance service regardless of what CBS thinks."

# Firms see tax reducing benefits

Taxation of job-related benefits to employees will mean fewer benefits, chief executives of corporations said in response to a survey.

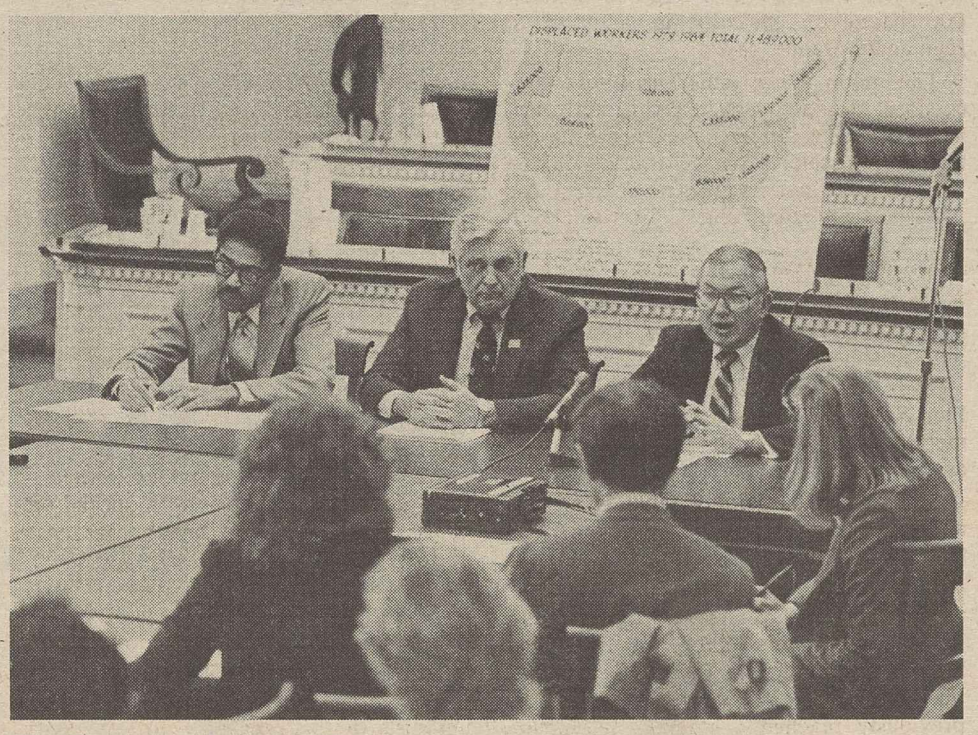
Most said they will make "deep" or "moderate" cuts in worker benefits if the tax-exempt status is ended. Only 3 percent of the companies surveyed indicated they will raise wages in order to compensate for lower take-home pay resulting from taxation of benefits.

The survey of 150 corporation heads was made by the Roper Organization for the American Council of Life Insurance and the Health Insurance Association of America.

Corporation chief executives overwhelmingly opposed making job benefits taxable either to employees or to corporations and noted that any added tax would probably be met by pressures for pay raises to offset the increase.

A companion poll of the general public found 77 percent agreed that the cost of employee benefits should not be considered as taxable income to workers.

AFL-CIO Building & Construction Trades Dept. President Robert A. Georgine, who took part in the news conference announcing the poll results, warned that taxation of negotiated benefits would "seriously jeopardize" the collective bargaining process. Those benefits are "earned benefits," he stressed, not a gift.



## Job-saving alert

Sponsors of a bill requiring advance notice of plant closings tell Capitol Hill news conference that an early alert would give workers and communities time to explore alternatives to a shutdown. From left, Representatives William L. Clay (D-Mo.), Silvio O. Conte (R-Mass.), and William D. Ford (D-Mich.).

# *Extension of project funds vital to hard-pressed areas*

Legislation that would continue federal seed money for communities bypassed by the nation's economic recovery has the AFL-CIO's strong support, Assistant Research Director Arnold Cantor testified at House hearings.

The National Development Investment bill he endorsed would keep alive two programs President Reagan's budget would shut down.

It authorizes funds for the Appalachian Regional Development Act to allow completion of highway construction and economic development projects before the program is phased out.

And it would retain with some modifications the framework of the Economic Development Administration, which channels federal grants into communities with high levels of unemployment and poverty. The intent is to generate the maximum amount of job-building public and private investment with the limited federal funds available.

Rep. James L. Oberstar (D-Minn.) and Rep. William F. Clinger (R-Pa.) are principal sponsors. Both are senior members of the Public Works & Transportation Committee, whose Economic Development subcommittee is considering the legislation. A similar bill passed the House in the last Congress but died in the Senate.

Cantor noted in his testimony for the AFL-CIO that the programs the bill seeks to continue were originally put in place to help out areas which historically have trailed other sections of the country when times are relatively good and suffered more than other communities in bad times.

Despite two years of economic recovery, overall employment remains "far too high," Cantor noted, and double-digit unemployment continues in eight states and in areas of many others.

### Investment needed

An even greater level of public investment is needed to overcome "the nation's festering infrastructure problems," Cantor testified.

"One of the most pressing problems facing states and cities is the need to rebuild and repair the infrastructure," he stressed. Highways, bridges, rail systems, urban transit, ports, inland waterways, dams, water systems and waste treatment plants all are plagued with "serious deficiencies," Cantor testified.

The programs the legislation would continue "worked in the past," Cantor said, "are needed now," and provide "an adaptable framework" for dealing with future problems "of economic dislocation and deteriorating public facilities."

# 3-year accord ratified to end Pan Am strike

The Transport Workers ended a four-week strike against Pan American World Airways after agreeing on a three-year contract recouping past wage concessions and providing additional increases.

TWU represents more than 5,700 Pan Am mechanics, baggage handlers and food service workers through locals in New York, Miami and the West Coast. The combined tally ratifying the settlement was 2,965 to 1,743.

Union members will receive an average pay rise of 21 percent over the contract term, a figure which includes recouping 14 percent owed from a previous contract as a result of increases the workers agreed to postpone to help the airline become profitable.

The contract provides a 5-percent raise, retroactive to Jan. 1, and another 5 percent on Nov. 1, along with a cash bonus. Additional 5-percent raises will be paid in each of the next two years.

A shutdown of commissary operations will cost some 625 jobs. Workers affected will receive a buyout of $10,000 to $30,000 based on seniority in addition to regular severance pay.

The union made some work rule concessions the company sought, and new hires will take longer to reach the top of the wage scale. The contract included "things we're not happy with," TWU Air Transport Director John J. Kerrigan said.

### Jobs elevated

On the plus side, the union said, lower-paid cleaners were moved up to a higher job classification.

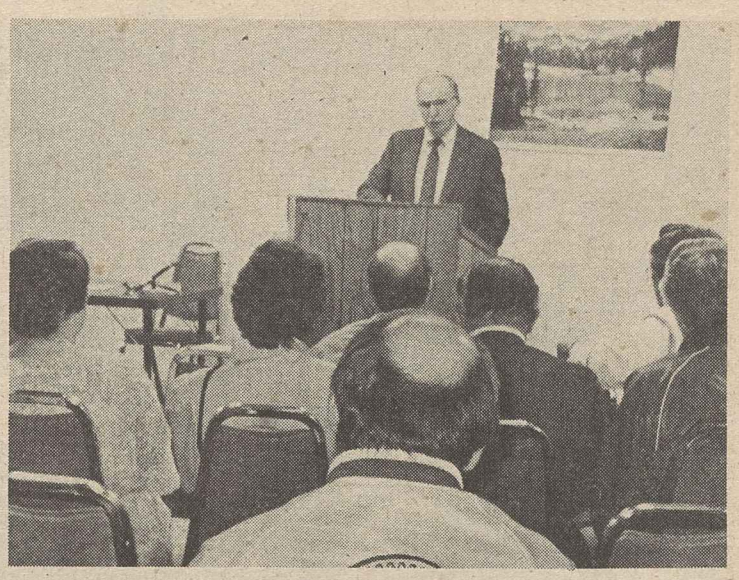
The strike had substantially curtailed Pan Am's domestic operations and union members will return in order of seniority as the company restores full service.

Still at the bargaining table is an unaffiliated union representing some 6,000 flight attendants whose contract expires Apr. 1.

The flight attendants had honored the TWU picket line until the company brought in hundreds of new hires to replace them. The Air Line Pilots, who had previously reached a contract settlement, stayed out in the first days of the TWU strike but then returned to work.




AFL-CIO President Kirkland fields questions in Seattle, while Sec.-Treas. Donahue briefs union members in



North Bend, Ore., at two of five satellite meetings held with 1985's first regional conference.

# AFL-CIO western region conference marked by give-and-take discussions

Portland, Ore.—The first of 1985's AFL-CIO regional conferences drew trade union activists from six states for a give-and-take exchange of views with the federation's national officers and headquarters staff.

The goal, AFL-CIO President Lane Kirkland told them, is to make the trade union movement more effective "and to involve our members more actively in the trade union mission."

Nationally, he stressed, "we have a tough battle on our hands to persuade Congress not to go along with President Reagan's campaign to dismantle the federal government and devise new schemes to neglect the old, disinherit the young, and deprive the working middle class of the protection and government programs they pay for."

While the main conference settled in for a day of workshops—with special emphasis on the crisis in health care costs, budget issues and the battle over tax legislation—Kirkland and Sec.-Treas. Thomas R. Donahue took separate paths through Oregon and Washington to meet with union members in their communities.

"We want to listen to what the trade unionists of this area have to say," Kirkland stressed. "We want to talk with them, not at them."

The Portland regional conference was for the states of Alaska, California, Hawaii, Nevada, Oregon and Washington. The next, Apr. 28-29 in Providence, R.I., will cover six New England states and Pennsylvania.

At each of five workshop sessions in Portland, two AFL-CIO staff officials spoke to groups of local and state union leaders on various aspects of labor's program.

Legislative Director Ray Denison and COPE Director John Perkins joined to lead a workshop linking legislative goals and political action.

### Education efforts

Education Director Dorothy Shields and Civil Rights Director William Pollard dealt with issues affecting minorities and women—and education programs to focus on them.

Bert Seidman, director of the Dept. of Occupational Safety, Health & Social Security, teamed up with Associate Research Director Henry Schechter for discussions that ranged from health care issues to trade and budget deficits.

A communications workshop featured both Larry Kirkman, director of the Labor Institute of Public Affairs, and Susan Dunlop, an assistant to the AFL-CIO president.

Organizing & Field Services Director Alan Kistler spoke of how labor concerns have become organizing issues, and Community Services Director Frank Emig talked of programs to help workers stranded by job losses and cutbacks.

On the road, Kirkland held question-and-answer meetings with union members in Seattle, Longview and Tacoma, Wash., covering issues ranging from pay equity to labor unity and efforts to tax job-related benefits.

Donahue spoke to the Portland regional conference on the challenging report of the Executive Council's Committee on the Evolution of Work, which he headed, stressing innovative methods to build the labor movement.

His route in Oregon took him to mini-conference meetings with union members in Coos Bay, North Bend and Eugene. Many of the questions and comments dealt with job-destroying import policies and what workers and their unions can do to resist union-busting.

Unions with pension fund investments should be able to exert leverage to influence the anti-worker policies of corporations, Plumber Charles Morgan suggested at the North Bend meeting.

# *'Violence' hearings expose union-busters' role*

**Continued from Page 1**

"4. Improving work rules, thereby increasing productivity."

Hall's letter invited "a confidential discussion as to how we work" and claimed to be "the only firm I know of which offers this service to union-plagued industries."

Democratic members of the committee sought to have Hall testify as to his firm's activities in the strike. At their request, Hatch invited Hall to testify but the consulant "declined" the invitation.

The local union president, Dave Beck, told the Senate committee that the company attitude changed after it came under new ownership as a result of a corporate takeover. Previously, he said, relationships had been good and in a short strike 10 years ago, the company used no security personnel at the plant.

Although the union didn't know it at the time, he testified, when management presented the union with an unacceptable package of takeback demands early last year, it had already arranged with a private guard service to move in if the workers struck.

Management's demands, Beck said, included a $3.80-an-hour wage cut, reduced retirement benefits, and exclusion of union representatives in grievance procedures, among others.

### Fortification

Before the contract expiration, Beck testified, the company "constructed a high chain link fence around the premises, topped by barbed wire. Forty-eight light poles were installed, each with four 1,000-watt bulbs."

The contract expired on May 1, 1984. But while the union continued bargaining for six weeks, "the company's position became even more adamant."

When the workers finally struck, five movie cameras were installed and manned. An army of 150 guards from Nuckles & Associates Security, an outfit with a long record of battling unions, was brought in—outnumbering the 115 strikers.

Last summer, the union made an unconditional offer to return to work, Beck told the committee. Management's response, a week later, was that there were no job vacancies because all of the jobs had been permanently filled by scabs.

Later, he testified, the company said it had hired over 100 "permanent" replacements on the day the union telegram offering to return to work was sent but before it was received.

"This company has spent millions and millions of dollars to break our union," Beck told the committee. "They want the public relations effect of union violence. If that violence from the union doesn't happen, then the pressure is on the company, its consultants, its guards and strikebreakers to create some violence, real or imagined."

Beck told the committee of repeated cautions at union meetings urging members not to be provoked into violence, and he acknowledged some individual episodes in which the advice was not followed—often following provocations by guards or strikebreakers.

There were a couple of broken windshields and a union supporter was fined $500 for pouring some harmless but smelly skunk oil used by deer hunters on a company truck.

There were also strikebreakers and guards arrested. And Beck added, the Missouri Portland Cement Co. is probably the only firm in the nation that is under a court injunction which prohibits it from "authorizing or encouraging" the action of persons "dressed in hooded Ku Klux Klan outfits and parading with burning crosses at or near the picket line."

Some of the pickets on the line when company guards put on their Ku Klux Klan display were black, Beck noted.

Sen. Edward M. Kennedy (D-Mass.), responding to Sen. Hatch's statement at the start of the second day of the hearing, suggested that any consideration of the need for additional legislation to deal with strike violence should examine "the role of so-called labor-management consultants who profit from union-busting" and the effectiveness of federal labor law in protecting the right of workers.

### False impression

Kennedy noted that "for several years now, a nationwide campaign by the National Right to Work Committee has sought to create the impression that a wave of union-sponsored violence is sweeping the nation and that state and local law enforcement officials are either unable or unwilling to prevent it."

But in fact, he stressed, repeated hearings have "failed to show that there is a pattern of unprosecuted violence or that a fair federal remedy can be fashioned without undermining both legitimate workers' rights and the collective bargaining process. Moreover, there are disturbing signs that at least some unsolved acts of violence may have, in fact, been perpetuated by the enemies of the collective bargaining process."

# Reagan budget would drain state funds

Most state fiscal surpluses would be turned into deficits by President Reagan's budget proposals, a union study showed.

A survey by the Teachers and its affiliated Federation of State Employees took a state-by-state look at the impact of the Administration's budget proposals. Besides seeking an end to the $4.5-billion revenue-sharing program, Reagan's budget would slash many federal program grants to states and cities.

Thirty-four states with budget surpluses would move into the deficit column, the union reported.

Teachers President Albert Shanker said the cuts would penalize states with fiscally responsible policies in order to deal with federal deficits caused by Reagan's "ill-conceived budget and tax policies."

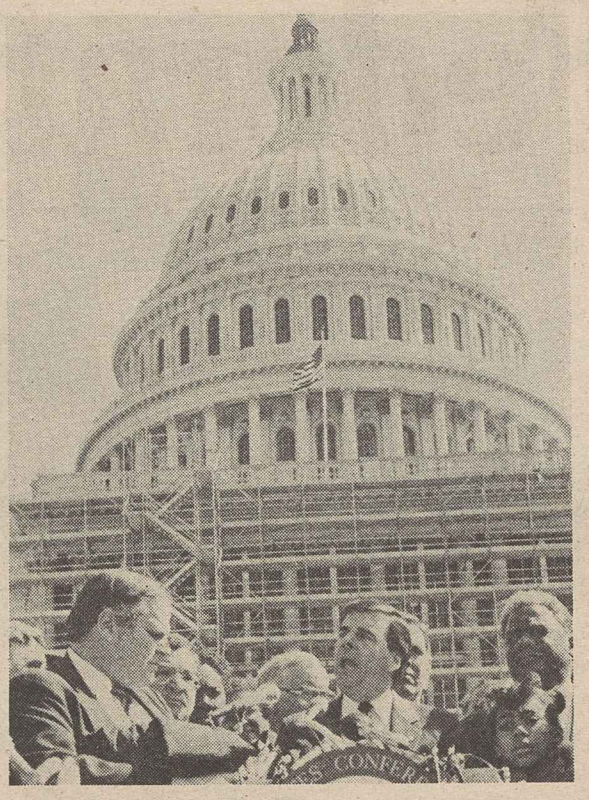
The budget proposals would eliminate some $20.3 billion in direct federal grants plus the loss of revenue-sharing funds, the union said. It noted that federal grants offset 24 percent of state budgets.







Several thousand demonstrators express their concern at the U.S. Capitol over Reagan cutbacks in urban programs as President Gerald McEntee of the State, County & Municipal Employees calls for adoption of a fair federal budget.



# Labor backs full-loaf bill on civil rights

The AFL-CIO asked Congress to repair all the damage to civil rights laws inflicted by last year's Supreme Court decision in the Grove City College case and reject a half-loaf remedy supported by the Reagan Administration.

Federal funds should never be used to subsidize discrimination, AFL-CIO General Counsel Laurence Gold insisted in testimony before two House committees.

The Supreme Court interpreted a law banning sex discrimination by any educational institution receiving federal funds as applying only to the specific program receiving government aid.

Both the civil rights coalition and the Administration agree that Congress intended all programs of an educational institution to be covered. But there the two sides part company.

As the labor-backed coalition sees it, the court's reasoning could weaken other civil rights laws. The labor-backed bill, like the measure the House passed last year, would amend portions of other civil rights laws to keep this from happening.

The Administration position, expressed in a bill introduced by Senate Majority Leader Robert J. Dole (R-Kan.), is that the broader language should apply only to the education law which was the focus of the Supreme Court decision and remain "neutral" on other civil rights laws.

If Congress were to follow the Administration's lead and limit its remedy to educational institutions, Gold said, its action could be taken as approving a less comprehensive civil rights standard for other institutions helped by federal funds.

### No basis

There is no "principled basis" for such a distinction, Gold stressed.

Labor's position, he urged, is that Congress should reiterate its commitment to the civil rights principle that President Kennedy expressed before his death:

"Simple justice requires that public funds to which all taxpayers of all races contribute not be spent in any fashion which encourages, subsidizes or results in racial discrimination."

# Product liability bill faulted as shield for manufacturers

Product liability legislation should put the rights of injured workers and consumers above the interests of manufacturers of dangerous or defective products, the AFL-CIO urged.

A bill being considered by a Senate Commerce subcommittee moves "in precisely the wrong direction," AFL-CIO General Counsel Laurence Gold testified. He said it would replace a body of state laws and precedents that have helped victims obtain fair compensation with a weaker federal law tilting to the side of manufacturers.

Gold said the AFL-CIO would welcome a national product liability law that would assure adequate compensation for victims of unsafe products without costly damage suits. A "no-fault" compensation system would be one such possibility, he suggested.

But the legislation introduced by Subcommittee Chairman Bob Kasten (R-Wis.) doesn't deal with that issue, Gold noted. It accepts "the underlying premise of the tort law system—namely that litigation is the appropriate vehicle for providing compensation to victims of unsafe products." Thus, the Kasten bill does not address the high costs of litigation, the delay in obtaining compensation or "the uncertain and often inequitable results."

In most instances, Gold testified, the legal rule proposed for inclusion in federal law is more protective of manufacturers than rules adopted by "the states that have taken the obligation to protect consumers and workers most seriously."

As an example, Gold cited the Kasten bill's "complex and confusing" guidelines on the obligation of a product manufacturer to warn users of potential dangers.

### Manufacturer's duty

Labor's view, Gold testified, is that the manufacturer should be required to warn users of any danger posed by "a foreseeable use of the product," at least if the manufacturer is or should be aware of the danger. The warning should be made in a way that comes to the attention of the ultimate user, whenever this is practicable. "A breach of this duty should result in liability being placed upon the manufacturer."

But the Kasten bill's provisions, Gold protested, "bear little resemblance to these common-sense principles."

Gold expressed labor's concern, also, that making it more difficult for victims to obtain redress from manufacturers would diminish the incentives on manufacturers to produce safer products.

# *City workers, mayors join in budget protest*

**Continued from Page 1**

enue sharing would cause serious problems for local fire departments.

"The training process for jobs and skills has been a complex system of public school training, apprenticeship programs and in recent years federally funded training programs," Gannon pointed out. Those programs are now in jeopardy as a result of Reagan's budget cuts, he stressed.

Chicago Mayor Harold Washington decried the labelling of cities as "special interest groups." He called the nation's cities "the repositories of civilization, culture, art and learning." While cities are the source of much of the nation's wealth, Washington noted, "the dollars that have come from you are only trickling down."

"Don't give up, don't get weak, don't get weary," he urged the protestors.

Among other mayors who addressed the rally, Ray Flynn of Boston suggested that if Congress held its budget votes in the nation's cities amid breadlines and soup kitchens, the results might be different.

"We represent the poor, the elderly, the needy, and we must continue to fight for them," Flynn said.

As an alternative to the Administration's program cutbacks, the AFL-CIO has proposed that Reagan's huge deficits be attacked by limits on defense spending, steps to reduce unemployment and thus improve federal tax revenues and reduce outlays, and the closing of tax loopholes for corporations and the wealthy.

# New editor appointed for ILG's newspaper

Meyer Miller has retired as editor of Justice, the newspaper of the Ladies' Garment Workers, and Dwight Burton has been appointed his successor.

Miller joined the staff of Justice in 1949 and has been its editor since 1978. Burton, who has been managing editor, joined the Justice staff in 1970. Mike McGuire, now an assistant editor, will move into the managing editor post.

# LIPA releases 4 new TV shows, alters rental plan

The AFL-CIO's television production arm has released four new Labor Video Bulletins and revised its rental policy to bolster the use of its video cassette service.

Larry Kirkman, director of the Labor Institute of Public Affairs, said the new episodes of the popular Bulletin series includes:

- Getting on TV and Radio—A step-by-step guide for local unions on how to get their message on radio and television, local newscasts and talk shows, and how to prepare editorial replies, public service announcements and advertising. It includes the results of the AFL-CIO "Campaign for America's Future."
- Making Legislators Accountable—A guide to union members on the federation's 1985 legislative agenda and how political action committees affect national legislation.
- Singing for the Union—A labor music workshop, taped at the George Meany Center for Labor Studies, highlighting new songs, performers and issues in an examination of what makes a great labor song.
- CLUW: The First Decade—A progress report of the Coalition of Labor Union Women, including its 10th anniversary convention, and segments from America Works shows on child care and pay equity.

Kirkman said the Labor Video Bulletins are available in three formats—VHS, Beta and ¾-inch U-matic—for a rental fee of $5 or may be purchased for $25. LIPA distributes the cassettes without charge to federation affiliates, state federations and regional offices.




# Communication works

Communications Workers President Glenn E. Watts tells the more than 800 delegates to the union's week-long legislative conference that "one-to-one" communication with their congressional representatives works. The delegates visited more than 350 congressional offices. In his keynote speech, Watts blasted the Reagan budget. Among the many speakers were House Budget Committee Chairman Bill Gray and Don Zimmerman, former National Labor Relations Board member, who addressed the Reagan assault on labor law policies.

The AFL-CIO American
# Federationist

VOL. 30 NO. 13 MARCH 30, 1985

# Bargaining Trends:



## Gains in 1984



## Prospects for 1985

**By Neil Gladstein**

Union members and their bargaining agents can expect 1985 to be similar to 1984. Unemployment will stay high, the overvalued dollar will continue to hurt export and import sensitive industries, the consequences of deregulation will still play havoc in transportation, and many employers will threaten workers with plant closings. However, unions showed in 1984 that despite these and other problems, economic and non-economic gains can be made. Worker solidarity and creativity turned 1984 into one of the more successful bargaining periods in the 1980s.

In 1985, about 3.5 million workers are covered by major collective bargaining agreements (defined as involving 1,000 or more workers) that are due to expire or to be reopened. Negotiations will cover about 2.4 million workers in private industry and 1.1 million state and local government employees. The sectors which will see some of the heaviest bargaining include rubber, electronic products, trucking, construction, clothing, and auto (Chrysler). There are also about 650,000 workers under contracts that expired or were reopened prior to Jan. 1, 1985, that need to be settled during this year. Three-fifths of these workers still under negotiations work in rail transportation.

In the federal government, where bargaining rights are severely limited, workers are awaiting the outcome of the budget proposals under which President Reagan has asked for a 5-percent wage cut for federal employees. This wage cut proposal contradicts the spirit of federal law which requires the government to pay salaries equivalent to those in private industry. Last spring, the Bureau of Labor Statistics (BLS) reported that federal government workers earn 18 percent less than people working in the same kind of job in the private sector.

Collective bargaining agreements negotiated in 1984 contained a wide range of terms covering both economic and non-economic work related issues. Since many of these benefits do not have precise costs or values it is impossible to quantify them, and they are not reflected in most federal statistics.

BLS found that major private sector collective bargaining agreements reached in 1984 contained average wage increases of 2.4 percent for the first year. Included in this average are workers who had wage freezes and decreases. For the 77 percent of all workers covered by major contracts that did have wage improvements, the average first year increase was 3.8 percent. For major state and local government collective bargaining settlements in 1984 the average first year increase was 4.8. These figures do not include bonuses, profit sharing, stocks, lump-sum payments, cost of living adjustments (COLAs) or other financial payments.

*Neil Gladstein is an economist in the AFL-CIO Dept. of Economic Research and is the department's 1983-84 research assistant.*

The average effective wage adjustment for all workers covered by major settlements from 1984 or from previous years was 3.7 percent in the private sector and 5.0 percent in state and local government.

These figures by BLS show that the wage changes were close to the inflation rate. The inflation rate in 1984 was 3.5 percent from December to December as measured by the Consumer Price Index for Urban Wage Earners & Clerical Workers (CPI-W).

In 1984, about 700,000 workers, or one-third of those covered by new agreements, settled for some form of lump-sum or bonus payment. These payments are not included in the increases reported above. Employers refused to grant the same amount of money as wage increases. Employers prefer these payments because they are not added into the wage rate base and therefore do not increase the benefit levels for those programs that are tied to the rate base. Also, by being excluded from the rate base these payments will not be included in future wage increases.

Employers facing economic difficulties found unions willing to make wage and work-rule concessions if the companies were able to show real need and a willingness to negotiate on other options. Profit sharing and stock ownership plans were one form of trade-off for which unions bargained. These plans give workers a share in any future recovery that their concessions help bring about. They appeared mostly in contracts with the airlines and in meatpacking. In negotiations with United Press International, the Newspaper Guild also got a seat on the board of directors in addition to 6.5 percent ownership of the company in exchange for a wage decrease.

Two-tier wage structures which pay new employees less are an unfortunate concession that many employers fought for. These two-tier structures were allowed with much reluctance on the part of union members and often over the objections of their leadership. These systems should be eliminated as companies recover from their economic problems. One union has already done this: The Machinists in negotiations with Hughes Aircraft eliminated the two-tier structure that was in the previous contract.

The issue of pay equity or comparable worth is being raised increasingly in collective bargaining. Unions are fighting for increases to close the discriminatory wage gap between female-dominated jobs and comparable male-dominated jobs. To eliminate wage discrimination Service Employees (SEIU) members who are school employees in Vacaville, Calif., will receive increases ranging from 2.5 to 25 percent over a five-year period in addition to regular pay raises. SEIU members who are clerical workers for the city of Berkeley, Calif., will be compensated over a two-and-a-half-year period for past discrimination. Employees of the state of California belonging to SEIU working in female-dominated jobs will receive up to an additional 5 percent pay "realignment" to narrow the wage gap. And the State, County & Municipal Employees (AFSCME) won an agreement from the state of Iowa to end sex-based pay discrimination and to upgrade the pay of employees who have been victims of that discrimination.

Studies to examine the problem of pay discrimination against female-dominated occupations were also won in some contracts. AFSCME negotiated for employer-financed pay equity studies in Los Angeles and from the state of Rhode Island. In New Jersey, AFSCME and the Communications Workers won legislation for a pay equity study which provides for union representatives on the committee and SEIU bargained for a study to be paid for by the city of Oakland, Calif.

Improvements in job security were an important part of collective bargaining in 1984. An innovation negotiated by the Auto Workers (UAW) was the creation of a Job Opportunity Bank-Security Program (JOB Security) which is financed by a company obligation of $1 billion at General Motors and $300 million at Ford for the life of the three-year contract and the succeeding agreement. The cornerstone of JOB Security is that it guarantees that workers with at least one year of service will not be permanently laid off as a result of the introduction of new technology, outsourcing, negotiated productivity improvements, shifting of work from one plant to another, or the consolidation of component production. Workers who would ordinarily be laid off under these conditions will be offered placement in an employee development bank. Participants will receive the pay rate of the last job they were assigned before being placed in the bank and will accrue pension credits and receive all benefits. Workers in the bank can be placed in retraining programs, temporary assignments, job openings in other plants, or in other agreed-upon options.

JOB Security will be administered by joint UAW-management committees at the local, area and national levels. Special programs can be set up when there are more employees in the bank at a plant than anticipated

openings at the local and area level. To compensate workers for the lack of permanent job placement, these special programs would allow workers assigned to the bank who are age 55-61 and have 10 years of service to retire with full pensions and supplements. Members who do not meet the age and service requirements would receive lump-sum severence payments of $10,000 to $55,000 based on seniority.

Preventions against layoffs were in other settlements as well. At International Harvester, the Auto Workers won job security improvement in a new Job Content Preservation Program (JCPP) which preserves jobs by influencing management's decisions involving outsourcing, overtime usage, investment commitments, sales of operations, new technology, and anything else that affects job content. Under JCPP, International Harvester guarantees to maintain the ratio of straight-time hours per unit of production/sales for each major segment of the company. If the actual number of straight-time hours falls below the ratio, International Harvester will have to increase the number of hours worked through recalls, less overtime, paid training, additional benefits to those on layoff, or by reduced subcontracting and outsourcing. This is a six-year commitment with a $30 million limit on the company obligation.

At GM's Packard Electric Division, the Electronic Workers (IUE) won lifetime job and income security "forever" which does not end when the contract expires. Workers can be furloughed only for a maximum of six months. When workers exhaust unemployment insurance and SUB payments they must be recalled.

In New York, the Food & Commercial Workers (UFCW) in negotiations with the Associated Fur Manufacturers won a guaranteed 30 weeks of employment per year in exchange for the employers' right to subcontract during the three-month busy season.

Other job security guarantees include a no-layoff promise for the life of the contract for SEIU members at Equitable Life, a no-layoff due to subcontracting commitment to Newspaper Guild members at Consumers Union, and an income security program negotiated by the UAW with Mack Trucks that gives workers the same guarantees against layoffs as in the GM and Ford pacts and creates a job bank.

The ability of management unilaterally to make plant-closing or outsourcing decisions was limited in some contracts. For example, in Detroit, Kroger Co. guaranteed the UFCW that 40 of its 45 reopened food stores will stay open for at least three years. In six different states, the UFCW got a no-plant-closing commitment from the George A. Hormel Company. At Ford, the UAW won a three-year moratorium on plant closings. Both Ford and GM guaranteed the UAW 60 days' notice of any outsourcing decisions that affect 25 or more workers. At Mack Trucks, the UAW got a promise of a three-year moratorium on any new plant-closing decisions. In soft coal negotiations, the Mine Workers won job security clauses from the Bituminous Coal Operations Association which include advance notification of intention to sell a mine with proof that the buyer will honor the labor contract, no loss of bidding rights if a mine is subleased, and justification whenever mine owners subcontract repairs or maintenance work. The Retail, Wholesale & Dept. Store Union will get a 45-day advance notification of plant closing from Del Monte. And the Sheet Metal Workers in negotiations with the Sheet Metal & Air Conditioning Contractors National Association won an employer guarantee not to open, operate, or become involved with a nonunion company. In exchange, the workers promised not to work for nonunion contractors or open competing businesses.

In auto negotiations, the UAW also created Business Venture Development Groups to work with JOB Security committees. Venture Development is aimed at helping communities hit by job losses to develop and attract new businesses with hiring preference given to displaced auto workers. The union also won commitments from GM and Ford to continue investing in American production facilities, including GM's new small car, "Saturn."

For auto workers being laid-off or transferred, GM and Ford both agreed to improve unemployment benefits and transfer payments. The auto companies increased funding of the Guaranteed Income Stream (GIS) and Supplemental Unemployment Benefits (SUB) programs. GIS, which was set up in 1982, pays laid-off employees who have 15 years of service once they have exhausted their SUBs. They will receive GIS payments until they return to work or reach retirement age or until the program runs out of funds. The relocation allowance for employees being transferred to another plant within the company was also increased. The allowance now ranges from a low of $580 for a single person moving 50-99 miles to $2,310 for married employees moving 1,000 miles or more.

## Major Contract Negotiations Scheduled in 1985

| Union | Employer | Number of Workers | Expiration of Previous Agreement |
|---|---|---|---|
| Rubber: | | | |
| Rubber Workers | Goodyear, Firestone, B.F. Goodrich, and Uniroyal | 59,000 | April |
| Electronics: | | | |
| Coordinated Bargaining Committee | General Electric | 72,000 | June |
| Coordinated Bargaining Committee | Westinghouse | 52,000 | July |
| IBEW | Raytheon | 9,000 | August |
| Carpenters, Machinists | Hughes Aircraft | 12,000 | November |
| IBEW | RCA | 10,000 | December |
| Aerospace: | | | |
| Auto Workers, Machinists | General Dynamics | 6,000 | September |
| Carpenters | Hughes Aircraft | 12,000 | November |
| Machinists | United Technologies | 16,000 | December |
| Construction: | | | |
| Plumbers | National Fire Sprinkler Assn. (multi-state) | 7,200 | March |
| Operating Engineers | Ohio Contractors Assn. | 12,000 | April |
| Plumbers & Pipe Fitters | Mechanical Contractors Assn. (Chicago) | 8,000 | May |
| IBEW | National Electrical Contractors Assn. (Los Angeles) | 6,000 | May |
| Clothing & Textile: | | | |
| Ladies' Garment Workers | Knitted Outerwear Manufacturers | 5,000 | May |
| Clothing & Textile Workers | Clothing Manufacturers of USA | 70,000 | May |
| Ladies' Garment Workers | Affiliated Dress Manufacturers | 50,000 | May |
| Ladies' Garment Workers | Blouse, Skirt & Undergarment Assn. | 23,000 | May |
| Ladies' Garment Workers | N.Y. Coat & Suit Assn. and American Cloak & Suit Manufacturers Assn. | 20,000 | May |
| Ladies' Garment Workers | Atlantic Apparel Contractors Assn. | 35,000 | May |
| Clothing & Textile Workers | Men's & Boys' Outerwear Mfgrs. | 12,000 | November |
| State & Local Government: | | | |
| Transport Workers | New York City Transit Authority | 27,000 | March |
| AFSCME | Minnesota State Multidepartment Unit | 16,200 | June |
| Teachers | Philadelphia School District | 19,800 | August |
| Service Employees | Los Angeles County Clerical | 17,000 | August |
| Utilities: | | | |
| IBEW | Commonwealth Edison | 11,000 | March |
| IBEW | Virginia Electric Power Co. | 4,500 | March |
| Utility Workers | Cleveland Lighting | 26,000 | April |
| Trucking | | | |
| Teamster | National Master Freight Agreement | 300,000 | March |
| Teamster | United Parcel Service | 69,000 | June |
| Auto: | | | |
| UAW | Chrysler | 41,500 | September |
| Airlines | | | |
| Machinists | Eastern Airlines | 11,000 | January |
| Transport Workers | Eastern Airlines | 5,800 | April |
| Air Line Pilots | Eastern Airlines | 4,400 | May |
| Transport Workers | American Airlines | 10,400 | August |
| Other: | | | |
| Food & Commercial Workers | Prudential Insurance | 16,000 | September |
| Writers Guild | Theatrical & Television Basic Agreement | 8,500 | February |
| Service Employees | N.Y. Realty Advisory Board | 20,000 | April |
| Hotel & Motel Trades Council | N.Y. City Hotel Assn. | 24,000 | May |

In a job-security related issue, the Steelworkers and Jones & Laughlin Steel's Aliquippa, Pa., mill agreed on a work-sharing plan. Under this program the 200 employees currently working will share their jobs with the 225 employees on layoff. Each of the 425 workers will work 60 percent of the time and be on layoff 40 percent of the time. The loss in wages will be made up through SUB payments.

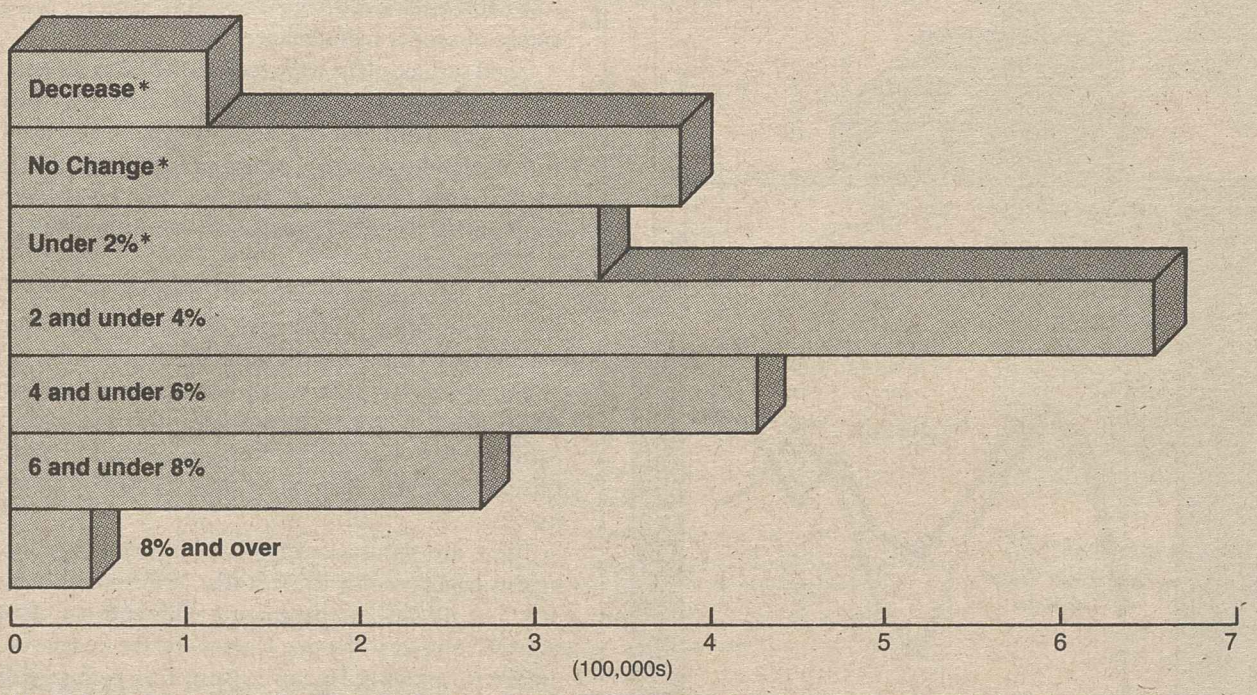
To decrease overtime and spread available work among its members, the UAW won a requirement that the auto companies pay a 50¢-an-hour penalty to a Joint Skill Development & Training Fund for all overtime hours worked in excess of 5 percent of straight-time hours. The companies also promised to try to reduce overtime to two hours a week. The Skill Development & Training Fund also will receive a 10¢-an-hour contribution for all hours worked. This will help finance training for laid-off employees. Tuition assistance ranges from $1,500 for those with one year of service to $5,000 for those with four or more years. Active employees can receive payments of $1,500 for courses at a college or university and $1,000 a year for other job-related courses.

Tuition and retraining benefits also were negotiated in other contracts. For example, at Blue Cross/Blue Shield of Michigan, the UAW increased tuition reimbursement to $1,200 for its clerical and technical members; in Massachusetts, the State Police Association negotiated for 100 percent tuition reimbursement; the Electrical Workers (IBEW) at General Telephone of Ohio will receive full reimbursement for retraining if laid off due to the introduction of new technology, and Chemical Workers at Essex Chemical won a 100 percent tuition refund for job-related courses.

Confronting the challenge of escalating health care costs was another important area of collective bargaining in 1984. Unions and employers worked together

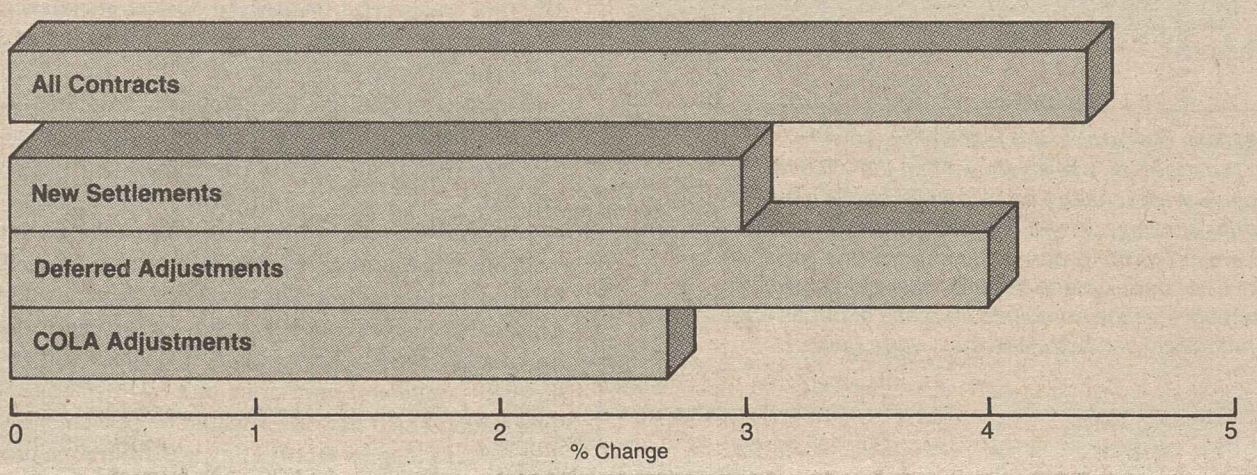
## First-Year Wage Adjustment Negotiated in 1984

Total 2,261,000 workers in major private sector agreements



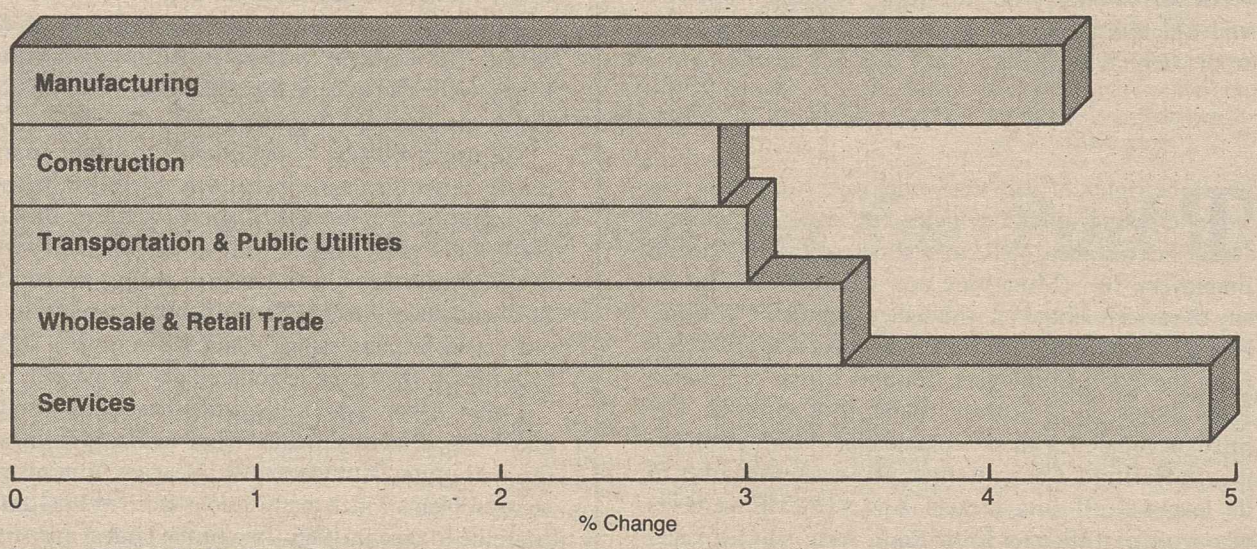

*Many of these workers received bonuses, lump-sums, stocks, COLAs or other forms of payment not included in these figures.
Source: Bureau of Labor Statistics.

## Average Wage Adjustments in 1984




Source: Bureau of Labor Statistics.
Note: This includes major private sector adjustments negotiated in 1984, deferred increases from previous settlements, and COLAs.

## Average Wage Adjustments by Industry in 1984




Source: Bureau of Labor Statistics
Note: This includes major private sector adjustments negotiated in 1984, and deferred increases from previous settlements, and COLAs.

to reduce the cost of health care without decreasing the quality of the care or shifting the cost to the workers. An example of this type of settlement in the Health Care Cost Containment Agreement reached between the Rubber Workers (URW) and Uniroyal. Features of this agreement for non-emergency medical needs included:

- Precertification review of hospital confinement.
- Second surgical opinion for certain procedures with employees receiving compensation for up to four hours for time spent getting a second opinion.
- A toll-free benefit hot line for employees and retirees who need help filing claims.
- Self-audit program that pays workers 50 percent of savings recovered from corrected hospital bills, up to $1,000.
- Health Maintenance Organizations (HMOs) will be considered.
- $50 bonus for certain outpatient surgical procedures.
- Laboratory tests and X-rays must be conducted before hospital admission.
- A continued investigation by the URW and Uniroyal to find alternatives to contain health care costs.

Many other agreements negotiated in 1984 contain cost containment features. Examples include:

The Metal Trades Council and Union Carbide (Texas) agreed on full coverage of outpatient minor surgery and home health care following hospitalization.

HMOs are a covered option for UAW members at Rockwell International and members of the Hotel Employees & Restaurant Employees with Philadelphia Hotel-Motor Inn Association.

IBEW members at Niagara Mohawk Power Company, Food & Commercial Workers members at John Hancock, and Clothing & Textile Workers members at Maremont receive a portion of all overcharges they discover.

The UAW at Ford and GM agreed on preauthorization for all non-emergency and non-maternity hospital admissions, and educational programs to encourage cost-effective use of medical benefits.

Health programs also have been expanded to provide better care for many union members. For instance:

- The IBEW at Crouse-Hinds increased maximum dental coverage to $1,000, up from $600.
- Steelworkers at Outboard Marine's Evinrude Motors Division increased maximum hospitalization coverage to $50,000 (was $20,000).
- The IBEW at General Telephone of Pennsylvania got orthodontia coverage for their members' families.
- The UAW at Mack Trucks established coverage for substance abuse treatment and speech therapy.
- The Machinists at FMC Corp. (Calif.) got coverage for hearing aids, adult orthodontia, hospice and home visit health care.
- Major medical maximum was increased under many contracts—up to $1 million for members of the Bakery Workers in New York and New Jersey (was $250,000).
- The UAW at Rockwell International negotiated a new alcohol and drug abuse program.
- A new optical benefits plan was established by the Oil, Chemical & Atomic Workers at Penwalt.
- New or expanded dental coverage in contracts between the Paperworkers and James River Corporation of Virginia, the Newspaper Guild and the St. Louis Review, and Clothing & Textile Workers and Stillman Seal.
- At GM, the UAW expanded medical coverage to include procedures like laser surgery, organ transplants, tubal ligation, and vasectomies.

Programs to reward workers for unused deductibles and sick days were also negotiated. The Glass & Ceramic Workers at PPG Industries, for example, set up a $300 health care plan account to pay deductibles with the unused portion to go to the workers at the end of the year. The Teachers in Jacksonville, Fla., bargained for 90 percent of unused sick leave to be converted into cash at retirement, as against 80 percent in the previous agreement. Washington, D.C., employees in AFSCME now get three additional personal days if they use no more than two sick days, two extra personal days if they use no more than four sick days, and one extra day if they take no more than five sick days. IBEW members at Utah Power & Light Company will now receive 100 percent payment for unused sick leave.

In negotiations between the UAW and Lear-Siegler's Instrument Division, laid-off employees won coverage for six months under the hospital, medical, dental, and vision care plans.

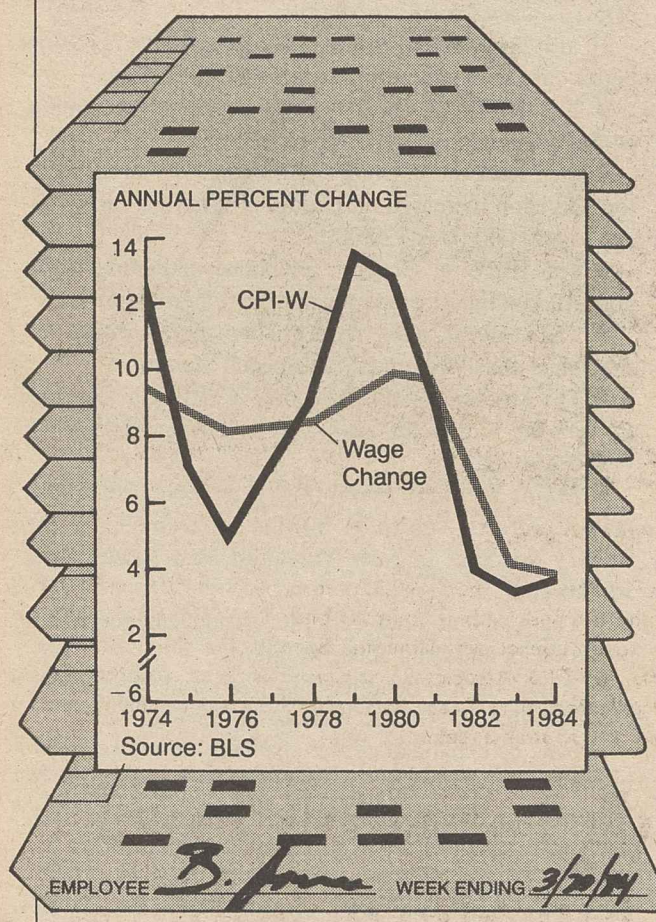
Paid time off is another important feature of collective bargaining agreements. Eligibility requirements for paid vacations were decreased under many agreements. For example, IBEW members at Gulf State Utility Company now get three weeks after seven years of service (was eight), four weeks after 16 years (was seventeen) and five weeks after 25 years (was 26). Steelworkers at Boston Gas now get four weeks after 10 years. Paperworkers at Potlatch's Northwest Paper Division bargained for seven weeks after 25 years instead of 30. Longshoremen from North Carolina to Florida are eligible for five weeks after 15 years and six weeks after 20. Hotel Employees & Restaurant Employees working for San Francisco restaurants in the Golden Gate Restaurant Association qualify for three weeks off after five years (was six). Bakery Workers at Keebler now get six weeks after 25 years instead of 30. Hospital & Health Care Employees at Norwalk, Conn., Hospital won five weeks after 11 years instead of 20.

One vacation clause that some unions bargained for allows workers to take a week of vacation one day at a time. Instead of taking a week all at once, workers can now use these days as personal days or to make long weekends. One settlement that included this was between IBEW and General Telephone of Ohio. The years of service needed for this vacation option were reduced to eight from 15.

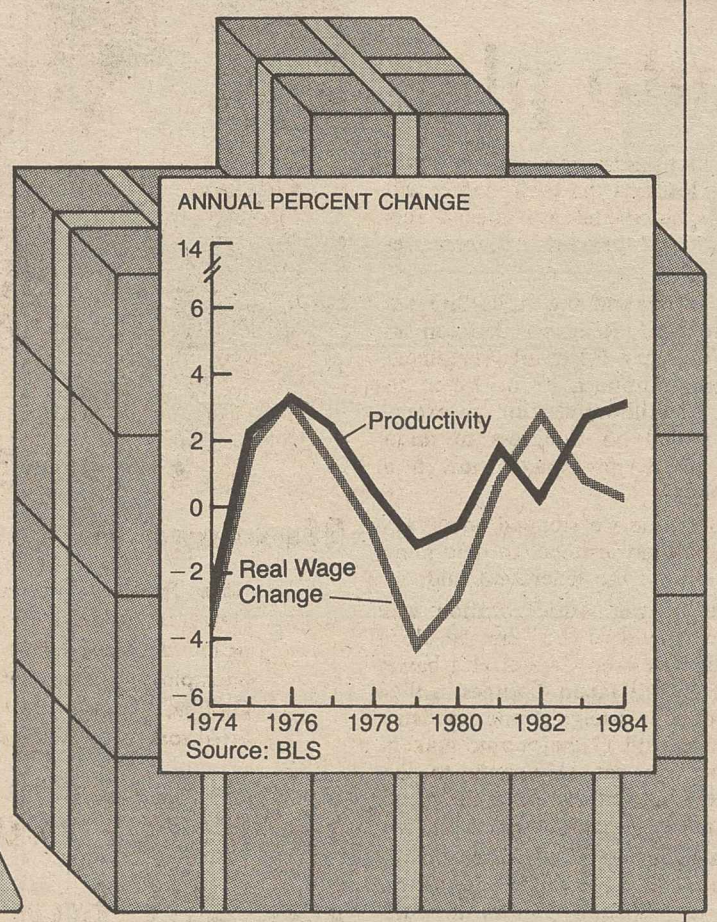
Vacation rights of workers on layoff were given protection under the Chemical Workers' contract with American Cyanamid's Lederle Laboratories Division. Rehired workers will have layoff time counted toward their vacation eligibility.

Martin Luther King, Jr.'s birthday is a new paid holiday in many contracts including those between the Transit Union and Old Dominion Transit Management, Clothing & Textile Workers and Sterling Dye, Ladies' Garment Workers and Ken Stacy, Bakery Workers and Specialty Bakery Owners Association, Chemical Workers and Day & Zimmerman's Lone Star Division, Transit

## Wages Have Kept Up With The Rise In Inflation




## But Have Not Shared In the Gains of Rising Productivity




Note: Wage change includes new settlements, deferred increases, & COLAs

*Inflation erodes the purchasing power of paychecks and rising productivity means that more is being produced for the same amount of work time. If inflation is 4 percent, workers need to increase their paychecks by 4 percent just to keep up their standard of living. If productivity increases by 3 percent, workers need an additional 3 percent raise to maintain their share of the income which is created. Thus, workers would need a 7 percent increase just to maintain their share and real buying power.*

*The graph on the left shows that the effective annual wage change for all private sector workers under a union contract has kept pace with inflation. However, as the graph on the right shows, workers have not been able to get their share of productivity increases as the combined increase of prices and productivity has outpaced their wage gains.*

Union and the Transit Authority of River City, Utility Workers and Detroit Edison, and SEIU and the Chicago Building Managers Association.

Many unions won an additional paid day off for their members. For example, the Ladies' Garment Workers in negotiations with the makers of lingerie, negligees and underwear in New York and the Retail, Wholesale & Dept. Store Union at Nestle in Fulton, N.Y., now get 12 paid days off, up from 11.

Floating paid days off are becoming more common. The SEIU and the Midtown Realty Owners Association, N.Y., switched four fixed holidays to floating holidays. Another example is in the Operating Engineers' agreement with the Realty Advisory Board of Labor Relations, N.Y., which switched two fixed days to floating days and added one new paid day off as a floating day.

Paid days off in case of death in the family are being expanded to cover more relatives and longer periods of time. Chemical Workers at Lederle Laboratories can now also take one day off for the death of a brother-in-law or sister-in-law. Paid bereavement leave for Dutchess County, N.Y., employees in AFSCME now also covers death of step-children and step-parents. Members of SEIU employed by Alameda County, Calif., can now take two of their sick days for a death in the family in addition to three previously negotiated bereavement days. And funeral leave for Chemical Workers at American Salt now applies for the death of grandparents.

One important and frequently overlooked type of paid time off is leave for military service. Machinists at United Technologies' Florida Research & Development Center now are eligible for up to 15 days paid military leave, up from 10.

Retirement and pension clauses were improved in many contracts. For example, the UAW at General Dynamics' Electric Boat Division negotiated for full benefits when age plus years of service equal 85. Retired Machinists at Rohr Industries will get benefit increases of up to 10 percent depending on how long they have been retired. Machinists at United Technologies (Florida) bargained for retirement benefits for the spouses of vested employees who died before age 55. Communications Workers at Rochester Telephone increased minimum monthly benefits by $100 for retirees with 20 or more years of service. And the IBEW at Hawaiian Electric won a decrease of five percent in the early retirement pension penalty.

Voluntary Political Action Committee checkoffs of contributions are being negotiated by many unions. Examples include the Painters with the Painting & Decorating Contractors Association (Mass.), Oil, Chemical & Atomic Workers at Gulf Oil, Teachers in Chicago, AFSCME at Shelby County, Tenn., Hospital Authority, and Machinists at Allied Corporation's Bendix Electronic Central Division.

The rights of part-time employees are getting increasing attention under collective bargaining. For instance, SEIU members employed by Health Employers, Inc. (Minn.) are now paid double-time for any of seven holidays on which they work. UFCW members got a guarantee of at least 16 hours of work per week from the Food Employers Council which represents 1,334 stores in 12 grocery chains in California. The SEIU negotiated with six commercial cleaning companies in Hartford, Conn., to raise part-time wage rates to the level for full-time workers. And AFSCME members who work part-time for Little Rock, Ark., now get vacation and sick leave benefits.

New settlements also improved commission rates for many workers in retail trade and insurance. For example:

- UFCW and Frederick's Department Stores in the state of Washington increased clothing sales commissions to 7 percent and shoe sales commissions to 10 percent.
- At Metropolitan Life Insurance, the UFCW won an increase to 15 percent for first-year commissions on home owners' policies, up from 10 percent.
- UFCW members working for John Hancock Mutual Life Insurance now get a 55-percent first-year commission on policies, up from 52.5 percent.

Safety and health is another critical area of collective bargaining. For instance, in negotiations with Ford and General Motors the UAW made gains that include the establishment of joint management-union committees to review new plant layouts, changes in manufacturing equipment and major processes where worker health and safety may be affected, review of job design to decrease stress, review and access to management's information on the chemical hazards, and worker training on safety and health.

The use of video display terminals (VDTs) is being regulated under many contracts. The SEIU at Equitable Life for example, bargained for VDT safeguards including rest breaks, glare reduction, detachable keyboards, adjustable chairs, redesigning of work stations, and guarantees of proper maintenance.

Legal service plans were established in many new contracts. Among them are agreements negotiated by the UAW with Ford and International Harvester, by SEIU with the Realty Advisory Board and the Apartment Owners Advisory Council in New York, and by HERE with the Bellevue Stratford Hotel and the Franklin Plaza Hotel in Philadelphia.

Child care for the children of employees is getting increasing attention in collective bargaining. For example, the SEIU and the state of California negotiated a $1 million fund which will be jointly administered by a worker-management day care committee. And the New York State Nurses Association won an agreement from St. Luke's Roosevelt Hospital to build a new day care facility.

There are thousands of other important clauses that unions negotiated in 1984. A few of them are:

- The RWDSU in bargaining with both the Association Of Voluntary Nursing Homes and the League of Voluntary Hospitals & Homes in New York won guarantees of every other weekend off.
- Clerical workers in the SEIU at Equitable Life won the right to see their personnel files and appeal anything they do not agree with.
- UAW members at General Motors and Ford get attendance bonuses for not missing any work days, $50 for the first and second quarters of perfect attendance and $200 for the third and fourth quarter for a total of $500 for a perfect year.
- Actors' Equity got a commitment from the League of Off-Broadway Theaters & Producers to cast more minorities including blacks, Hispanics, and the handicapped.

Unfortunately there are still many problem areas in collective bargaining. In postal negotiations President Reagan's anti-union feelings manifested themself in unreasonable concessionary demands and an unwillingness to conduct serious negotiations. Congress had to stop Reagan's unilateral imposition of a two-tier wage structure under which new hires would be permanently paid less. After a lengthy fact-finding and arbitration process, the Postal Workers and the Letter Carriers succeeded in winning pay and benefit improvements, a retroactive raise, Martin Luther King, Jr.'s birthday as a paid holiday, and retention of the COLA clauses, night-shift differential and sick leave. The lower starting rate for new hires was awarded, but they will follow the same general wage schedule and will eventually be brought up to the more senior workers' salary levels.

Unrealistic concessions were fought off by many unions. For example, workers in various unions in Las Vegas, were able to band together to fight back wage cuts and even succeeded in gaining wage increases.

The use of Chapter 11 bankruptcy to escape from collective bargaining agreements was severely restricted by the bankruptcy reform legislation passed in 1984. Employers now must bargain with unions when they file for bankruptcy protection and wish to change the contracts. Steelworkers at Phoenix Steel's Pennsylvania facility not only resisted concessions when the company filed for bankruptcy, they even negotiated pay increases.

Unfair labor practices, union-busting consultants, anti-worker National Labor Relations Board rulings, and the anti-union attitude in the Reagan Administration were problems which many unions faced in 1984 and will continue to face in 1985. Two of the largest and still ongoing battles against anti-union employers are the Phelps Dodge strike by 13 unions representing copper workers and at Louisiana-Pacific lumber mills by the Carpenters.

This discussion of collective bargaining in 1984 does not tell the whole story. Giving examples of individual contract terms cannot adequately present them as part of a larger package reached through negotiations. Also, collective bargaining is a continuing process that involves the day-to-day relations between employers and workers. Across the nation grievances were being resolved and safety and health issues discussed; joint labor-management committees were working on issues of mutual interest, and medical cost problems were being addressed.

In addition to the bargaining trends mentioned in this report, thousands of other improvements were achieved in contract settlements throughout the United States. In 1985, union members will continue to pursue the strategies that best serve their needs and those of their fellow workers.

## 25-percent expansion

# 90,000 U.S. jobs cost of Japanese auto plan

A Japanese plan to expand automobile exports to the United States by 450,000 cars this year was denounced by the AFL-CIO as "a harsh blow" that will cost 90,000 more American jobs.

In Detroit, Auto Workers President Owen Bieber said that reports from Japan merely confirm the UAW's warning that Japanese auto manufacturers are preparing to flood the American market with additional exports. He warned that the proposed 25-percent increase in Japanese auto shipments to the United States would also add at least $5 billion to the "already intolerable" U.S. trade deficit with Japan, which is running at a $37 billion annual rate.

"Tens of thousands more jobs will undoubtedly be lost and the trade deficit will worsen as the floodgates are opened further in 1986 and beyond," Bieber predicted.

Both the UAW and the AFL-CIO denounced President Reagan's decision to allow the Voluntary Restraint Agreement (VRA) on auto imports from Japan to expire Mar. 31 without seeking an extension. They called on Congress to undo the damage and act promptly to initiate a fair trade policy.

"It is about time we stopped encouraging the Japanese government to determine U.S. trade policy," the federation said.

While the Reagan Administration was seemingly unperturbed by the developments, outrage grew on Capitol Hill based on the reports from Japan. Sources in that country said the foreign trade ministry was negotiating with 11 major auto makers for a ceiling on car shipments to the United States this year of 2.3 million, up from 1.85 million a year under the VRA.

The Senate Finance Committee unanimously approved a resolution calling on Reagan to use existing powers to curb imports of at least Japanese automobiles and telecommunications and electronic products. Sen. John Danforth (R-Mo.), sponsor of the resolution, said he would also introduce the proposal as a law. Danforth charged that Reagan had decided "no matter what the Japanese do, we're just going to be punching bags in this country."

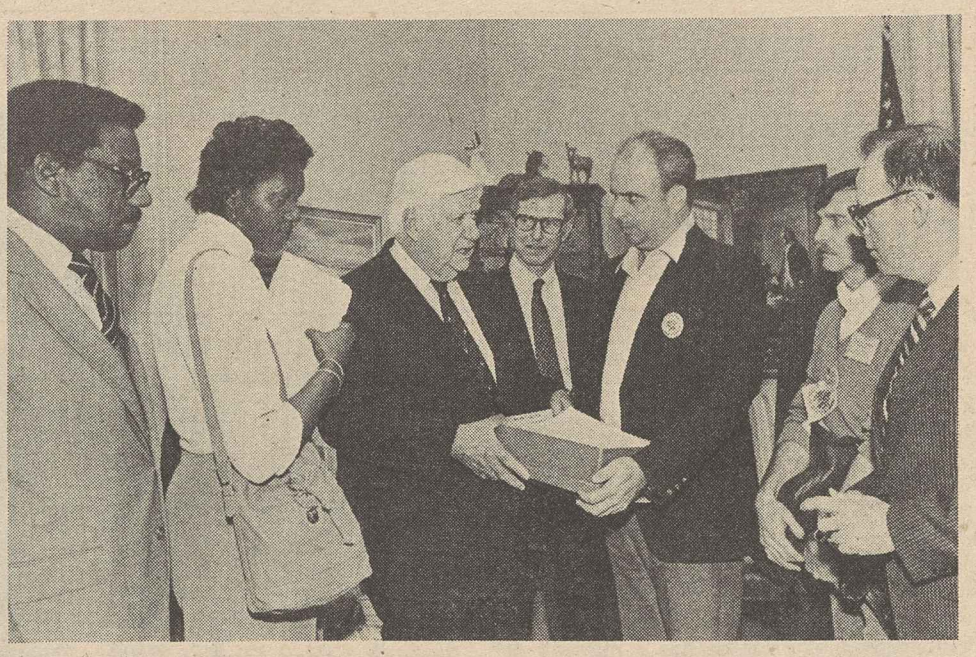
### Warning sounded

Committee Chairman Bob Packwood (R-Ore.) warned that the Japanese plan could provoke an "eye-for-an-eye" trade war, but said "that may be the only language that is understood."

Japanese trade ministry officials sought to portray the plan as a restraint, contending that auto producers in that country could sell as many as 2.7 million a year in the United States.

One Reagan Administration official told reporters, however, that "quotas" totaling 2.3 million cars would represent the "virtual capacity" of the Japanese auto industry to produce cars for export.

But, he said, even though the plan represents "no restraint at all . . . we don't have any problem" with the higher export figure.



## Message to Congress

House Speaker Thomas P. O'Neill, Jr., gets petitions from National Unemployed Network members Bertha Robinson, Jim Sullivan and Joe Cummins urging action by Congress to save federal supplemental benefits for the long-term unemployed. From left: AFL-CIO Associate Legislative Director Robert McGlotten, Robinson, O'Neill, Rep. Don Pease (D-Ohio), Sullivan, Cummins and Steelworkers Legislative Director Jack Sheehan.

# Hiring tax credit termed ineffective for creating jobs

A tax credit for employers has proved an ineffective means of helping targeted groups of disadvantaged workers and shouldn't be renewed, the AFL-CIO said.

The federation's statement to a House Ways & Means subcommittee said the Targeted Jobs Tax Credit has not generated any new jobs "and has benefited a handful of employers at the expense of the Treasury and American workers."

Last year, Congress extended the program until Dec. 31, 1985. It shouldn't be continued beyond that date, the AFL-CIO urged.

The federation's statement listed these chief concerns:

- A windfall tax gain to employers who would have hired the same persons without a credit.
- The displacement in the job market of non-targeted but no less needy workers.
- Loss of $500 million a year in tax revenue "in a time of soaring deficits and savage budget cuts in domestic programs."

There are more effective ways to provide jobs and training for disadvantaged workers and they should be pursued, the AFL-CIO urged. The tax credit program, while started "with the best of intentions," hasn't worked, the AFL-CIO contended.

# House heads for showdown on aid for long-term jobless

**Continued from Page 1**

by the President, the changes would not take effect until Oct. 1, 1986.

As the cutoff date neared, delegations of jobless union members descended on Capitol Hill to send a message that the recession isn't over for large groups of Americans. And for those who have exhausted state unemployment compensation, the last lifeline has been the FSC program which provided up to eight weeks of additional payments in most states and up to 14 in states with the highest unemployment.

At a Mar. 21 news conference, Reagan appeared to close the door the last crack by his response to a question about continuing the program.

There's no need for it, the President insisted, now that "the emergency of the recession is over." The place for people having trouble finding new jobs is training and relocation, Reagan said.

Ironically, Reagan had earlier asked Congress to rescind more than half the money it appropriated to retrain dislocated workers this year.

A Minnesota congressman with double-digit unemployment in his district—James L. Oberstar—brought the issue to a head the day after Reagan's news conference by quickly collecting the signatures of House Democrats needed to compel the convening of a party caucus. He proposed to put the caucus on record for immediate action on an extension bill.

The afternoon before the caucus, House and committee leaders agreed on the timetable for a House vote and it was confirmed at the caucus. The decision shows that the Democratic Party will not let itself be "Reaganized," Oberstar said.

### New mood

With the House pressing for action, senators from states with persistent unemployment were showing their unhappiness with the White House position, and labor's campaign for the jobless was no longer being dismissed out of hand as hopeless.

Under the House bill, during the three-month extension of FSC, most states would have four rather than the present eight weeks of federally funded benefits. About eight states, those with insured jobless rates over 5 percent, would get eight weeks.

The proposed permanent change in the extended benefit law would relate the number of weeks of federal-state benefits to the severity of unemployment. The present 13-week extended benefit duration would range from a low of 10 to a high of 30 weeks under the plan.

In another development, the President sent Congress his proposal for a subminimum summer youth wage and urged quick action, before the summer job season gets under way. It differs from the Administration's bill in the last Congress by making the change in the Fair Labor Standards Act applicable for only two years, presumably to test its impact. It would reduce the minimum wage from $3.35 to $2.50 an hour for persons under 20 from May 1 to Sept. 30.

# *Real earnings down for 2nd month*

Workers lost more ground in buying power as "real" weekly earnings fell four-tenths of 1 percent in February, the second monthly decline in a row, the Bureau of Labor Statistics reported.

Last month's drop followed an even steeper slide of seven-tenths of 1 percent in January.

The February falloff was attributed to a decrease in the workweek while retail prices rose four-tenths of 1 percent as measured by the Consumer Price Index for Urban Wage Earners & Clerical Workers (CPI-W).

Over the year, workers' real earnings were down a full percentage point.

The February CPI increase reflected a greater than usual volatility in its major components.

Apparel prices, for instance, rose nine-tenths of 1 percent after declining by one-tenth of a percent the previous month. Transportation costs rose one-tenth of 1 percent after rising three-tenths of 1 percent the month before. Housing was up four-tenths of 1 percent after increasing only one-tenth of 1 percent in January.

BLS's other consumer price index, the CPI for All Urban Consumers (CPI-U), went up three-tenths of 1 percent in February after rising two-tenths of 1 percent in January. CPI-W, which covers half the population of the All-Urban index, is used for adjusting social security and other retirement benefits and in calculating cost-of-living adjustments under many union contracts.

In CPI-W, food prices went up four-tenths of 1 percent in February. The rise was led by a 2.2-percent jump in prices for fruits and vegetables, which was partially offset by a drop of two-tenths of 1 percent in the index for meats, poultry, fish and eggs.

Heating oil prices continued to fall—down 1.7 percent last month—and were down 9.5 percent from last February, BLS reported. Gasoline prices fell even more sharply, down 2.3 percent. Gas and electricity, on the other hand, rose one-tenth of 1 percent and were 3.4 percent ahead of a year ago.

Prices rose eight-tenths of 1 percent for new cars and 2 percent for used cars. Public transportation charges were unchanged.

Among other goods and services, house furnishings rose eight-tenths of 1 percent.

# Oscar carved in stone

**Los Angeles—The Stonecarvers, a documentary on the work and lives of Italian-American craftsmen, won an Oscar award for best documentary short subject at the annual Academy Awards gala.**

**The film features four union stonecarvers—members of Laborers Local 571—who have spent the last two decades working on the Washington Cathedral in the nation's capital.**

**Thus far, the film has been aired only in Washington. But the National Italian American Foundation is raising funds to broadcast it nationally on public television later this year. The foundation is just $5,000 short of its $15,000 goal to finance the broadcast. The largest contribution, for $7,500, came from the Laborers.**

**The Stonecarvers was produced by Majorie Hunt of the Smithsonian Institution and Paul Wagner, who won an Emmy award for a film on the Sleeping Car Porters. Hunt and Wagner said they hope the film will bring the union stonecarvers the recognition they deserve. "They've given so much to the city," Hunt said.**

# Five unionists appointed to safety advisory group

Joseph L. Durst, Jr., job safety director for the Carpenters, has been appointed to the Advisory Committee on Construction Safety & Health by the Labor Dept.

The committee advises the Occupational Safety & Health Administration on construction matters. Durst, whose term expires June 30, 1986, joins four reappointed worker representative members — Plumbers Safety Director Joe A. Adam, Iron Workers Vice President Robert E. P. Cooney, Electrical Workers Safety Director George E. Smith, and Safety Director Jim E. Lapping of the AFL-CIO Building & Construction Trades Dept.

# Pleasure set for top post at studies center

Robert J. Pleasure has been appointed executive director of the George Meany Center for Labor Studies by AFL-CIO President Lane Kirkland.

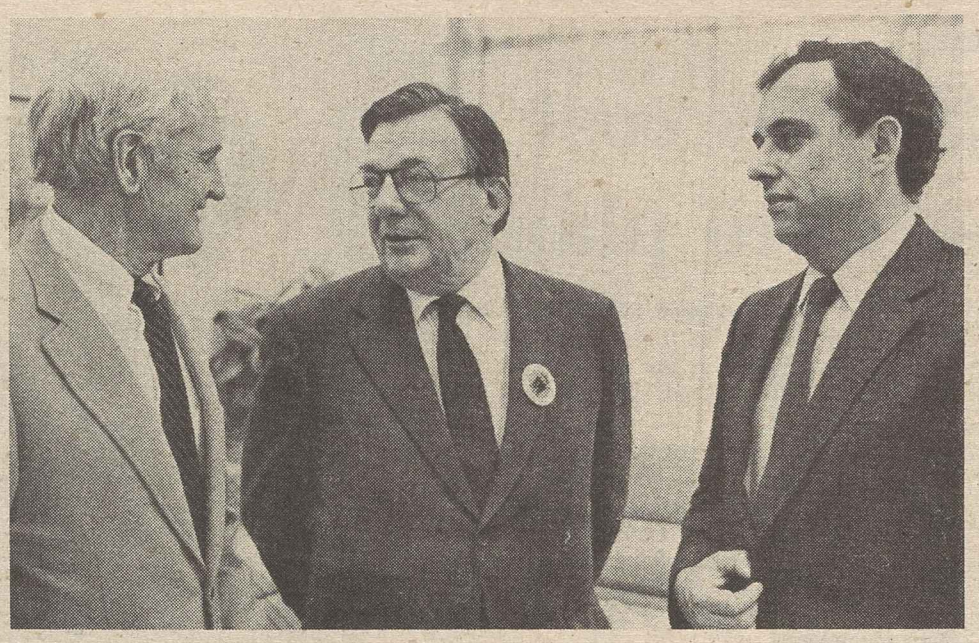
Pleasure, 41, will assume the post Apr. 1 upon retirement of Fred K. Hoehler, Jr., who has been executive director since the center opened in 1969. Pleasure, who was named assistant director of the center last December, had served as associate general counsel of the Carpenters since 1979.

A 1964 graduate of the University of Pennsylvania, Pleasure has a master's degree from the London School of Economics and a law degree from the University of Michigan. He worked for the National Labor Relations Board and the State, County & Municipal Employees before joining the Carpenters.

Hoehler was a professor of economics at Michigan State University before he came to the center, directing it through its start in a downtown basement office. In 1971, the center was moved to its current home, a 47-acre campus in Silver Spring, Md., which was purchased from the Xaverian Brothers.

"Fred Hoehler's work has been instrumental in adding a new dimension to organized labor's educational capabilities," Kirkland said in noting Hoehler's retirement. "Future generations of better-equipped trade unionists will continue to provide a living testimonial to Fred's dedication."

Hoehler was an assistant director of the AFL-CIO Dept. of Social Security and education director of the Steelworkers before going to Michigan State where he also served as associate director of the School of Industrial & Labor Relations.



Retiring Labor Studies Center Director Fred K. Koehler, Jr., with AFL-CIO President Lane Kirkland and the new director, Robert J. Pleasure.

# U.S. cement workers backed in battle against union-busters

Geneva — American cement workers won the solid support of trade unions representing other cement workers in the free world in their battle against union-busting campaigns at U.S. cement plants owned by foreign corporations.

Delegates to a conference organized by the International Federation of Chemical, Energy & General Workers Unions (ICEF) unanimously pledged to exert pressure on their European employers to call off their attack on U.S. cement workers. In some cases, European unions hold seats on the boards of companies whose workers they represent.

In the past five years, about one-third of the U.S. cement industry has been bought up by foreign corporations. A delegation of American labor leaders attending the ICEF conference said that labor relations in the industry are at their lowest ebb in 40 years.

Richard A. Northrip, cement division director of the Boilermakers, charged that the U.S. Cement Employers Association has embarked on "a clear program to break our unions."

Northrip, a vice president of the union, said the foreign-based multinationals have joined forces with their U.S. firms "to capitalize on the climate created by the Reagan Administration."

Among the largest multinational companies are Heidelberger Zement of Germany, which controls the Lehigh Portland Cement Co.; France's LaFarge, which bought up General Portland Cement, and Holderbank of Switzerland, which controls several U.S. companies.

### Bargaining run-around

"The cement industry in the United States refuses to bargain toward a fair and equitable agreement," said Sec.-Treas. Elmer Chatak of the AFL-CIO Industrial Union Dept., a member of the U.S. delegation.

The ICEF delegates initiated a call for a world conference of cement workers. In preparation for the meeting, the ICEF secretariat will coordinate the exchange of information on cement workers' working conditions, benefits, and organization.

Sec. Peter Evans of Britain's Transport & General Workers Union, who cochaired the conference with Northrip, said that "an attack on American cement workers is an attack on the 6 million workers affiliated with the ICEF."

The U.S. delegation also went to Germany to meet with Peter Schuhmacher, chairman and chief executive officer of Heidelberger Zement, to present the problems facing workers at the firm's American subsidiary.

# OSHA blind to toxic waste site hazards

**Continued from Page 1**

toxic waste problem," Turner emphasized.

He urged that the Superfund law be made as strong as possible by including mandatory clean-up schedules, public participation, effective clean-up standards, coverage of federal facilities, mandatory worker training and protection provisions, and compensation for victims of toxic disease.

"One of the many failures of OSHA under the Reagan Administration has been an almost complete disregard for workers engaged in toxic-waste clean-up efforts," Turner asserted. He called on the agency to set up a standards advisory committee to develop standards for immediate adoption.

Seminario accused OSHA, EPA, the National Institute of Occupational Safety & Health, and the Coast Guard of failing to develop needed regulations.

She asked that the subcommittee assist in "seeking strong OSHA standards" on toxic waste clean-up, pointing out that from the agency track record over the past four years, it is "likely to do nothing in the absence of congressional action or litigation."

### Risk to workers

Richard M. Duffy, safety director of the Fire Fighters, told the panel chaired by Rep. Barney Frank (D-Mass.) fire fighters are called to toxic sites for emergencies, often lacking proper training and adequate protective equipment.

Duffy charged that the "continual inaction to protect workers is criminal."

He cited several instances where IAFF members suffered a variety of reactions from exposure to chemical wastes. At a massive chemical dump in Elizabeth, N.J., fire fighters fought the blaze for 11 hours, and remained on the scene for a number of days, "mostly without respiratory protective equipment because none was available."

Rep. Major R. Owens (D-N.Y.) said immediate action is essential to provide needed safeguards. "We ought not to sit back and allow OSHA to flout the law and not enforce it."

### CORRECTIONS

A picture caption in the Mar. 23 issue of the AFL-CIO News misidentified one of the persons in the presentation of a drawing of the late Joseph D. Keenan. Shown with Mrs. Keenan and artist William A. Schroeder was Francis X. Gannon, author of the biography entitled "Joseph D. Keenan, Labor's Ambassador in War and Peace." He was incorrectly identified as IBEW Sec. Ralph A. Leigon.

The proposed merger of the Paperworkers and the Oil, Chemical & Atomic Workers would result in a new union with a membership of 385,000—not 285,000 as had been reported in an earlier issue of the AFL-CIO News.

# New Cleveland law requires disclosure of chemical data

Cleveland—The city council unanimously adopted an ordinance giving workers the right to information on the toxic substances they are exposed to in the workplace. The state legislature is working on similar legislation that has strong bipartisan support.

Enactment of the city statute capped a 20-month effort by labor groups and the bill's sponsor. The new law, which takes effect in March 1986, will require the city's employers to comply, at least partially, with its various requirements.

Ola Hinsley, president of State, County & Municipal Employees Local 100 and vice president of AFSCME Ohio Council 8, testified each time the measure was before the city council, reaffirming labor's support for strong right-to-know legislation. She pointed out that public employees are not covered by the federal hazard communication standard and it is up to local and state legislative bodies to provide this crucial workplace protection.

Employers will be required to label containers with the name of the chemical and to train workers in the handling of toxic chemicals.

The Cleveland law is stronger than the federal hazard communication standard, which is currently being reviewed by the 3rd U.S. Circuit Court of Appeals.

The state bill is also stronger than the federal law. The proposal has a strong worker rights section that protects workers from being discharged, disciplined, discriminated against or denied any pay, seniority or other benefits for exercising their rights under the law.

Labeling would be required on containers of hazardous chemicals over one gallon. It would include the common and chemical names, a code identifying the manufacturer's Material Safety Data Sheet, a hazard warning and a color and number code indicating the category and degree of hazardousness of the chemical.

Employers would be required annually to file a list of the hazardous chemicals with the state Dept. of Industrial Relations and provide training to workers annually, to new workers when assigned to hazardous work areas, and whenever a new chemical is introduced to the workplace.

In Tennessee, a compromise right-to-know measure passed the House on Mar. 18. Senate approval is expected as 35 senators are cosponsoring the bill and Gov. Lamar Alexander (R) will probably sign it into law because of its widespread support, according to the labor-backed Tennessee Right-to-Know Campaign.

The proposed law provides for annual training and right to refuse to work in an area where hazard information is not provided, allows communities access to workplace chemical lists, sets procedures for verifying manufacturers' trade secret exemptions, and requires employers to provide fire departments with the location and identification of hazardous substances in workplaces.

# *Schedule of Labor Studies Center courses*

The George Meany Center for Labor Studies is offering nine institutes and workshops during April and May. The schedule:

**TV: The Cool Medium,** Apr. 8-11—A three-day workshop to coach union leaders on working with television reporters and facing video cameras.

**Bargaining Issues for Union Women,** Apr. 14-19—A course on contract language addressing issues vital to women workers.

**Advanced Organizing,** Apr. 15-25—A two-week workshop cosponsored by the AFL-CIO Dept. of Organizing & Field Services. Enrollees must be approved by the department.

**Computers for Local Unions,** Apr. 21-25—A briefing on the use of computers for local union officers before buying equipment.

**Effective Union Action for Civil Rights,** Apr. 21-25—The annual conference of the AFL-CIO Dept. of Civil Rights for union civil rights and women's rights designees.

**The Changing Workplace,** Apr. 28-May 1—A study on workplace changes and management strategies affecting workers.

**Arbitration Techniques: Preparation & Presentation,** May 12-17—An institute concentrating on the presentation of mock cases before professional arbitrators. The exercises are videotaped for self criticism.

**Organizing Techniques I,** May 12-17—A program for full-time organizers on the essentials of an organizing campaign: targeting, interviewing workers, picking winning issues, selecting plant committees and countering employer hostilities.

**Advanced Editing Skills,** May 19-24—A workshop for experienced editors focusing on makeup, photo editing and headline writing, cosponsored by the International Labor Communications Association.

AFL-CIO affiliates using the George Meany Center campus during April for their own staff training programs are: Washington Building Trades Council, Apr. 4; AFL-CIO Dept. of Legislation, Apr. 9-10; Service Employees, Apr. 14-19; Railway & Airline Clerks, Apr. 28-May 1, and Flight Attendants, Apr. 29-May 3.

The American Institute for Free Labor Development will conduct classes beginning Apr. 28 for 20 trade unionists from Caribbean countries and 20 labor leaders from Brazil. AIFLD's five-week class for 38 union officers from 17 Latin American countries will end Apr. 12.

The George Meany Memorial Archives is sponsoring a two-day meeting of archivists and trade union representatives Apr. 1-2.

More information about these and other labor studies is available from Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. Telephone: 301/431-6400.

# EDITORIALS

## The Smell of Union-Busting

THERE ARE some days, as the chairman of the Senate Labor Committee discovered, when nothing seems to go right.

The committee's hearings on "union violence" in the course of an Illinois cement strike were supposed to show a breakdown of law and order because local and state police were unwilling to crack down on misdeeds by strikers.

That, of course, is the myth served up to make a case for amending the Hobbs Act so that the stiff criminal penalties Congress decreed for racketeering could be used against strikers.

What emerged from the hearings was a somewhat different picture—of a company brought under new ownership that set out cold-bloodedly and sparing no expense to get rid of a union.

It employed a professional union-buster—oops, a "human resources consultant" according to his letterhead—who was so proud of his success that he boasted about it in a letter offering his services to other "union-plagued industries." He bragged that he had lined up strike "replacements" in such a "discreet" way that the union never realized what was being planned.

While the union was trying to keep negotiations going, the company had already retained a "security firm" notorious for its provocative role in other labor disputes to furnish a private army that actually outnumbered the regular workforce. And this for a company that insisted its workers take a big pay cut because it couldn't afford to pay more.

AGAINST THIS type of provocation, the union conceded, its warning to members not to play into the company's hands by engaging in conduct that would reflect against the union cause occasionally was disregarded.

But in contrast to the claim that misdeeds were not punished, there were indeed jail sentences and fines imposed on both strikers and strikebreakers. But there is no penalty, unfortunately, for the violence to the spirit of collective bargaining inflicted by such a management.

In the case that so occupied the Senate Labor Committee, there was mention of a union supporter who was fined $500 for throwing some foul-smelling skunk oil at a company truck.

That was wasteful as well as hot-headed. Surely no skunk's odor could be stronger than the smell of such a firm's labor relations policies.

## No Bargain

POLITICAL LEADERS who argue for free trade have a stock reply to the trade union movement's warning that a fast-rising tide of imports is washing away American jobs.

Think how much better off consumers are with the lower prices of imported goods, the argument goes, as if workers and their families were not themselves the biggest bloc of consumers.

Are consumers really the beneficiaries? Unions have argued before congressional committees that retail stores prefer imported goods over comparable American-made products because they can pocket the savings in the form of a bigger price markup.

In the business pages of newspapers, there have been some refreshingly honest comments bearing out this trend.

A Washington Post article suggests to consumers: "don't hold your breath waiting for big bargains" as a result of the strength of the American dollar against other currencies.

A strong dollar is supposed to make imported goods cheaper and exports from America more costly to buyers in other countries.

Well, the American exports are obviously having a hard time because of the unbalanced exchange rate. But as for cheaper prices on imported goods sold in U.S. stores, think again.

"Retailers here don't go to all the trouble to buy overseas to pass on the reduced price to the consumer," the retail analyst for a stockbroker firm is quoted.

"They go overseas to make money—to maximize their profits," he explains. "If they don't have to drop the prices of their imported goods, why should they?"

Why, indeed.




**Washington Window**

# Employers undercut bill for plant-closing victims

**By Press Associates, Inc.**

The federal government often is maligned by right-wing ideologues as trying "to fix things that ain't broke." Congress is portrayed as a place where eager legislators push through laws with the greatest of ease.

This fallacy is perpetuated by organized business, which extols free enterprise in its advertising, grabs all the tax breaks it can get, and usually opposes legislation which is in the broad public interest.

It usually takes years to enact legislation designed to meet serious national problems. For example, it took 14 years to pass federal aid to needy public schools. It took 10 years to enact a federal job safety and health law.

The displaced worker problem has been the subject of legislative hearings for more than a decade, and soon may move into the spotlight on Capitol Hill.

What is new about it today is that a problem which was concentrated in the older industries of the Midwest and Northeast—called the Rustbelt by some—has finally hit the Sunbelt and the West. The problem has been nationalized, so to speak, so it may gain serious attention on the Hill.

### Displaced workers

A special study recently released by the Labor Dept.'s Bureau of Labor Statistics showed that 11.5 million workers 20 years of age and older lost their jobs between January 1979 and January 1984. They were displaced because of the closing down or moving of a plant or company, slack work or shutdown of a position or shift.

Of the 5 million with long-term job attachment, 60 percent found new jobs by 1984, though many at lower pay; about 25 percent (1.3 million) were looking for work; and the remaining 700,000 dropped out of the labor force.

There are many reasons for the epidemic of shutdowns which has hit every region. Low-wage imports into the U.S. "open market" undermines even well-run companies. Cheap steel imports have devastated Alabama. A wave of shutdowns has swept the Carolinas because of low-wage apparel imports from the Caribbean. Merger mania and changing technology also play a role in today's destructive competition.

The latest effort to cushion the impact of sudden plant shutdowns on workers and their communities is the Labor-Management Notification and Consultation Act of 1985. It is a bipartisan bill, sponsored by Chairman William L. Clay (D-Mo.) of the House Labor-Management Relations subcommittee and Congressmen William D. Ford (D-Mich.) and Silvio Conte (R-Mass.).

### Advance notice

The bill would require businesses to give a 90-day notice before permanently laying off 50 or more employees. It would require the employer to consult with the union or, in the absence of a union, with employees. And it would call in the Federal Mediation & Conciliation Service to assist.

The heart of the bill is in the creation of a bipartisan 15-member National Commission on Plant Closings and Worker Dislocation. The panel would study underlying economic and social causes, examine consequences and report to Congress with an eye on long-term solutions.

The bill has been watered-down and simplified to try to ease its way out of committee and to the House floor for debate in an effort to gain broad support.

But organized business is adamantly opposed. An official of the National Association of Manufacturers said the legislation "interferes with the operation of the free enterprise system" and represents "government intrusion into business decisionmaking." She said the NAM, U.S. Chamber of Commerce and the Business Roundtable, a group of corporate chief executive officers, are united in opposition to the bill.

The business lobby's opposition is not surprising. Employers also opposed the 10-hour day a century ago and the eight-hour day after that.

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# LEGISLATIVE ALERT!

## Benefits Tax Campaign In Full Gear

The AFL-CIO's campaign to stop proposals to tax the life-support benefits of middle class Americans has gone into full gear. AFL-CIO President Lane Kirkland testified before the full House Education and Labor Committee on March 21 and termed the attack on employee benefits as "patently unfair" and threatens to rip apart a life support system on which millions of American families rely. Grass roots lobbying is putting pressure on Congress back home with the electorate. Several key components of this multi-faceted lobbying strategy are already in place. To bring you up to date:

* AFL-CIO and international union lobbyists are already making the rounds on Capitol Hill to lobby members of Congress.

* The AFL-CIO and International unions, have made the employee tax benefits tax issue a major priority for their officials lobbying Capitol Hill.

* The field apparatus of the AFL-CIO has been activated. State federations and central labor councils have scheduled Easter-recess meetings with key members of Congress in their district between April 5 and 15th. Join them if you can. The network of Legislative Action Committees in 35 Congressional districts has also been instructed to do the same.

* The AFL-CIO is cooperating with industry groups on lobbying, public relations, direct-mail and grass-roots strategies.

* Materials have been developed for use in the lobbying and press relations campaign. These include: a three-part direct mail package for individuals; fact sheets for both back home and Capitol Hill lobbying; sample press releases and letters to the editor for use with local press.

What you can do:

Write now -- mail makes the difference: The Honorable _____, U.S. House of Representatives, Washington, D.C. 20515; The Honorable _____, United States Senate, Washington, D.C. 20510.

### Second AFL-CIO Regional Conference

The second AFL-CIO Regional Conference for 1985 will be held April 28-29 in Providence, Rhode Island, and will include Connecticut, Maine, Massachusetts, New Hampshire, Pennsylvania, Rhode Island and Vermont. For information contact your State AFL-CIO.

## Legislative Department Publications Available

Fact sheets containing summaries, analyses, and status reports on major legislative issues, as well as several publications, are now available at the AFL-CIO's Legislative Department. Unless indicated, all the publications are free and can be ordered in limited quanitity. Please include fact sheet number. Others can be purchased or ordered on a subscription basis. To request any publication, write to:

Legislative Dept.
AFL-CIO
815 16th St., N.W.
Washington, D.C. 20006

PUBLICATIONS

Fact Sheet 99-1
Taxing Employee Benefits
A Scheme to Shred Life Support Benefits for American Workers

Fact Sheet 99-2
Union Busting by Federal Law
The Hobbs Act and Picket Lines

Fact Sheet 99-3
Balanced Budget Amendment
A Formula for Economic and Constitutional Disorder

Fact Sheet 99-4
The State Call for a Federal Constitutional Convention
A High-Risk Gamble with the U.S. Constitution

Fact Sheet 99-5
The Product Liability Act Will Victimize Injured Workers

Fact Sheet 99-6
Immigration Reform

Fact Sheet 99-7
Civil Rights Restoration Act of 1985

Fact Sheet 99-8
Reagan's "Youth Employment Opportunity Wage"
Just Another Subminimum Rip-Off for Business

Fact Sheet 99-9
America Takes a Beating
The Crisis in Foreign Trade

## It's Time For U.S. To Make A U-Turn On Trade

It's time for the U.S. to make a U-turn on trade and stop clinging to inefficient policies that increase our trade deficit, leaving more Americans unemployed each year. The trade deficit could reach $250 billion by the end of the 1980's if predictions are right, which could spell increased unemployment because jobs are related to foreign trade. When a country exports goods, it guarantees jobs for its workers. But when it imports billions of dollars in goods it used to make at home, it throws workers into the streets. Three million American jobs have already been lost, mostly in manufacturing.

To cut the trade deficit and preserve American jobs:

* Enact the Trade Law Modernization Act, which would bring U.S. trade laws into line with today's world realities. It would strengthen existing U.S. trade law to deal with foreign nations that subsidize their products and those that dump their goods here at below-market price at home.

* Reinstitute the auto quota agreement which expired on March 31. Failure to do so will push our trade deficit with Japan even higher. It is now $37 billion a year. Imports would rise to over 40% of the U.S. market, costing 200,000 jobs.

* Loosen the Federal Reserve Board's tight grip on money and credit, thereby getting the over-valued dollar in line with other world currencies so that our trading partners will be able to buy more of what we make and our industries won't be easily lured overseas.

* Enact the Textile and Apparel Trade Enforcement Act of 1985 (H.R. 1562, S.680), which would establish import levels for textile/textile products and reduce the textile/apparel trade deficit, which was $16.2 billion in 1984 or 13% of the nation's total merchandise trade deficit.

* Adopt a rational industrial policy to rebuild American industry and attain sustained and balanced economic growth.

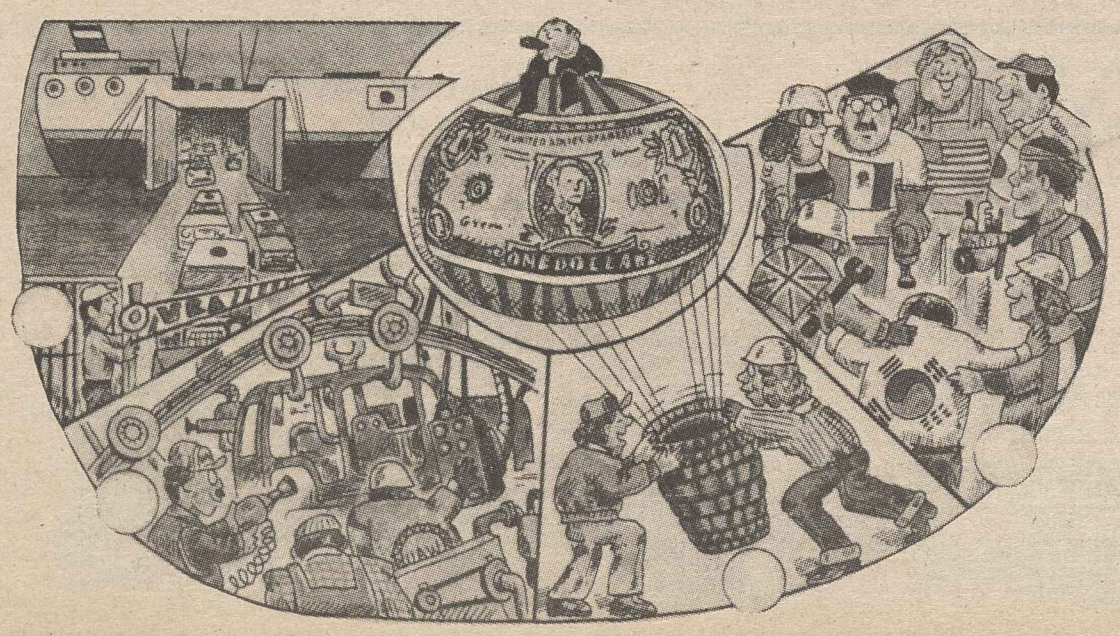



Photo courtesy of *UAW SOLIDARITY*.

## Grain Gets Diverted, But Cars Keep Coming

Recently, Cargill, Inc., the country's biggest grain trader, attempted to bring a ship containing 25,000 tons of Argentine wheat into the United States. Cargill planned to sell the wheat at $6.00 to $10.00 less per ton than comparable wheat produced here. But when a coalition of politicians and farm groups raised an outcry, Cargill diverted the ship at sea and sold the grain elsewhere.

Ironically, imported automobiles, appliances and apparel continue to flood U.S. markets, threatening the jobs of American workers. When U.S. workers protest that their jobs are being lost they are told that U.S. consumers must have the benefit of a free market and the lower priced imports.

The AFL-CIO is in sympathy with American farmers and applauds their success in blocking Cargill's move, as a step to retaining the U.S. farming industry, which uses the products American workers build. But we see a double standard here, one that allows grain to be diverted because it undermines American farmers while the voluntary restraint agreement with Japan's auto makers has been allowed to expire and cost 200,000 Americans their jobs.

AFL-CIO news

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MEMO FROM COPE
PAGE 8




## On with the show

Snip of the ribbon opens the six-day run of the 40th AFL-CIO Union-Industries Show in Milwaukee. AFL-CIO Sec.-Treas. Thomas R. Donahue and UFCW President William Wynn do the honors, with help from President James E. Hatfield of the Union Label & Service Trades Dept., right, and Sec.-Treas. John E. Mara.

# Congress demands trade concessions or import controls

Congress is talking tough but thus far has wielded a small stick in a campaign to open up the Japanese market to more U.S. goods in order to reduce the nation's huge and fast-growing trade deficit.

Congressional indignation was spurred by Japan's announcement of a 25-percent increase in its auto shipments to the United States, following President Reagan's decision not to seek renewal of the Voluntary Rstraint Agreement with Japan on auto exports.

The AFL-CIO and the Auto Workers termed the action a "harsh blow" that threatens to wipe out 90,000 more U.S. jobs.

At the same time, Japanese negotiators appeared to be foot-dragging on efforts to get Japanese firms to buy more U.S. goods, including telecommunications equipment and wood products.

The Senate acted first, passing by a 92-0 vote a non-binding resolution urging Reagan to invoke duties, quotas and other barriers against Japanese goods unless Japan increased its U.S. purchases enough to offset the rise in auto shipments.

Pressure for congressional action was spurred also by news that the U.S. trade deficit with Japan had doubled in the last year to $37 billion.

The House followed through a few days later with a similar but somewhat milder-worded resolution. It passed on a 394-19 vote.

### In reserve

In the wings—and viewed primarily as a bargaining chip—was a bill approved by the Senate Finance Committee which would give force of law to some of the wishful thinking of the resolutions.

Senate Majority Leader Robert J. Dole (R-Kan.) voted for the bill in committee but said he does not plan to bring it to the Senate floor "for a while" and hopes that other senators "won't press it."

The Japanese government reacted angrily, terming the congressional pressure "a threat to the entire free trade system" and protesting the singling out of Japan. The White House apparently was trying to soothe ruffled Japanese feelings by reporting progress in telecommunications trade talks.

House Majority Leader Jim Wright said legislative action beyond a "sense of Congress" resolution would depend on the action of America's trading partners. "The ball is in their court," he said.

Wright stressed, however, that the nation's trade problems exist with countries in every part of the world.

In the midst of all this, Reagan announced the nomination of Clayton Yeutter as the new U.S. trade representative. If confirmed by the Senate, he will succeed William E. Brock, now the Secretary of Labor.

Yeutter, who served in the Nixon and Ford Administrations, is president of the Chicago Mercantile Exchange, which provides a trading market for foreign currency. He owns a large farm and cattle ranch in Nebraska and is chairman of the U.S. Chamber of Commerce's European-U.S. Agribusiness Council.

"My basic philosophy on trade would be 100 percent in line with that of President Reagan," Yeutter said.

# *Veto threat kills effort to continue jobless aid*

Bowing to President Reagan's veto threat, Congress voted to phase out rather than extend a recession-born program of federal benefits of eight to 14 weeks for workers who are still unemployed after exhausting state benefits.

The phaseout will, however, protect the remaining weeks of eligibility of some 325,000 persons on the Federal Supplemental Compensation rolls when the program expired at the end of March. Under the White House budget scenario, their benefits would have been immediately ended.

Two efforts were made in the Senate to go beyond the phaseout bill in helping workers whose jobs have been permanently wiped out.

### No extensions

An amendment by Sen. Arlen Specter (R-Pa.) to extend the FSC program an additional six months was beaten on a 58-34 vote. A proposal by Sen. Carl Levin (D-Mich.) that would have eased eligibility for the permanent program of 13 weeks of extended benefits in high unemployment states was defeated 62-32. Although the program is on the books, only two states now qualify and the stringent requirements exclude states that still are racked by double-digit unemployment.

Both amendments had labor's support.

The House took up the phaseout bill under a procedure that barred amendments after a majority of the Ways & Means Committee buckled under to presidential disapproval.

A subcommittee had approved a modest temporary extension of the FSC program, limiting benefits for new enrollees to four or eight weeks depending on the state's jobless rate, with a final phaseout of the entire program after three months.

It also recommended legislation to make the permanent extended benefit program less restrictive. But bowing to budget concerns, the subcommittee would not have those changes put into place until next year.

But even this small step met with frowns from the White House and the extension was rejected by a 20-16 vote in favor of the immediate phaseout. Eight Democrats, including Chairman Dan Rostenkowski, voted with all but one of the Republicans

Continued on Page 5

# Football players roll up gains in first USFL accord

The U.S. Football League players rolled up long gains in scoring their first contract, and the four-year agreement won overwhelming approval from the 700-member Players Association.

USFLPA Executive Director Doug Allen termed it "a responsible agreement" for the fledgling football league. "The owners got what they wanted—continuity—and we got the players basic protections."

The contract sets minimum annual salaries at $22,500 for rookies and $25,000 for veterans for the 1985 season. By the 1988 season, the minimums will increase to $30,000 for rookies, $40,000 for second-year players, $45,000 for third-year players and $50,000 for players with four or more years' experience. Some players

Continued on Page 4

## Nomination stalls

# Civil service chief's politicking hit

**By David L. Perlman**

The Senate's Governmental Affairs Committee put off a vote on the confirmation for Donald J. Devine for a second four-year term as director of the Office of Personnel Management after hearings that focused on his openly partisan administration of the federal civil service.

Unions representing federal and postal workers strongly opposed reconfirmation. So did nearly all the other witnesses in three days of confirmation hearings. Only Devine, himself, and Sen. Jesse Helms (R-N.C.) testified in favor of confirmation.

The Helms endorsement may not be altogether a plus. It turned out that Devine made at least two campaign speeches in North Carolina last fall on behalf of Helms and was reimbursed for his expenses by a Helms campaign committee.

The Senate left Devine dangling when it began its Easter recess. Devine's first four-year term ran out on Mar. 26, but Committee Chairman William V. Roth (R-Del.) cancelled a scheduled confirmation vote when it appeared that Devine's nomination might be rejected.

Devine's politically appointed deputy, Loretta Cornelius, then became acting director when his term ran out. Her first move was to hire Devine as her executive assistant in a new $72,300-a-year job.

### Integrity tarnished

Government Employees President Kenneth T. Blaylock accused Devine of having "demeaned the integrity of his office by using his position for political ends."

Blaylock, representing the largest union of federal workers, described Devine as a foe of collective bargaining who has sought to replace career employees with political appointees. He has misled and defied Congress in pursuit of "ideological goals," Blaylock told the subcommittee members.

Letter Carriers President Vincent R. Sombrotto said Devine has tried to make "scapegoats" of postal and federal workers, attacking their retirement benefits as "overgenerous" and choosing "confrontation" over good-faith bargaining in dealing with employees. "He is making the government into an employer of last resort," Sombrotto protested.

Ironically, both Blaylock and Sombrotto, along with Postal Workers President Moe Biller, have been charged with violation of the Hatch Act prohibitions against political action by government employees—even though they have been on leave with out pay for years while serving in union posts.

Continued on Page 3

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4/6/85

# Kirkland discusses issues facing labor

*Following are excerpts from a Mar. 19 interview of Lane Kirkland by 10 reporters who cover labor nationally.*

**REPORTER:** What are the next steps in response to the report on the evolution of work?

**KIRKLAND:** We have a task of putting flesh on the bones of those proposals, of studying alternative ways to carry them out, and of encouraging and helping, where necessary, our affiliates to pursue these approaches. There are a number of areas. The question of organizing committees is one that we'll be pursuing.

**REPORTER:** And also mergers?

**KIRKLAND:** Mergers will continue to be on a voluntary basis. We'll do our very best to be helpful to the parties and to cajole and to persuade and to give technical assistance as they pursue their mergers. And we'll be working with our affiliates, because the responsibility for carrying them out will rest with our affiliates. I believe a number of them will be very interested in developing at least trial or experimental approaches to methods of affording membership to those who have not been able to get a collective agreement, but who supported the union during the efforts to get a collective agreement.

You know, I sometimes have a feeling that casual observers of the labor movement, when they look at these membership figures, look at the task of organizing and recruiting members as though it was like

***"The full employment goal is blandly ignored. . . . I think it's a horrible waste, both economically and socially—the most foolish, wasteful economic situation that could possibly be practiced."***

going out and signing up members for some social organization—that all you have to do is persuade a person to join and you've got a member. If that were the case, we'd have far less difficulties in maintaining and expanding our membership, but we have to go through this arduous process of getting pledge cards, winning an election and getting a contract before they become a member.

And the people we've persuaded in the meanwhile—if they're not a majority—because of this tradition that's developed of making membership dependent on the bargaining rights, we walk away from people, people who not only voted for a union but who have been enthusiastic about a union, who've sacrificed for it, who've exposed themselves to risks for it, who are committed. Because, let's say, we only got 48 percent in an election, we abandon them. So we've got to find some way of holding them and getting them into membership, keeping their membership, even without that collective agreement.

We have to do something of value for them without that collective agreement, and that opens up some very large questions.

**REPORTER:** Recently a merger you were working on—ITU and GCIU—fell through. What is your reaction to that?

**KIRKLAND:** I regret it because I think the objective of creating a single union in the graphic communications field is a good one, and it's unfortunate that that process was interrupted. I still have high hopes of maintaining the ITU within the AFL-CIO, and we'll be doing everything we possibly can to see that that works out.

**REPORTER:** Are you opposed to the ITU going with the Teamsters?

**KIRKLAND:** Absolutely, because the Teamsters are not affiliated with the AFL-CIO.

**REPORTER:** Is that the only reason?

**KIRKLAND:** That's a sufficient reason. I would like very much to have the Teamsters affiliated with the AFL-CIO. I see no early likelihood of that happening.

**REPORTER:** Lane, on the national economy: after each recession we've come out with a higher level of unemployment. It keeps going up. Does this bother you?

**KIRKLAND:** It bothers me very much, and it's an acute problem. We're at the peak of a recovery with levels of unemployment that characterized recessions in the past. Each time we go into a new recession, we do seem to go into it from a higher base of unemployment than before. I don't think we've repealed the business cycle, and I'm deeply concerned about the impact on working people of the next one.

And, as you point out, there is a growth of this sort of indifference and/or a greater degree of tolerance for unemployment and its consequences in this country. I think it's an awful thing. It wasn't too many years ago that the Congress passed the Humphrey-Hawkins Full Employment Act and defined the target as 4 percent, and it's blandly ignored. I think it's a horrible waste, both economically and socially—the most foolish, wasteful economic situation that could possibly be practiced and at great cost to the country.

**REPORTER:** In his report to your evolution of work committee, Prof. Jim Medoff mentions the perception of people about corruption in the labor movement and says labor can't improve its image until it's perceived as moving forcefully against corruption. What do you do about that perception?

**KIRKLAND:** Well, there is no recognition, apparently, of the fact that, unlike any other elements of our society, we are governed by a law that says that when you are convicted of any one of a long list of felonies or offenses, you are barred from union office for up to ten years—not only barred from union office but barred from employment by a union in any capacity. That is the law. And I supported that law. I supported the amendment that toughened it, the Nunn bill. Prior to last year, that debarment did not apply until appeals were exhausted. Now it is applied upon conviction by a jury.

Do you suggest that we proceed against someone who has not been convicted by a jury? Then I have to set up a kangaroo court. Where do I get the evidence?

I believe that we are entitled to the protection of the law from malefactors. And it is the law's responsibility. They have the tools. They have the methods. They have the duty. I don't have the tools. I don't have the methods. I don't have the means of proving guilt or innocence. And anyone who says I should act against somebody and deprive him and ruin him publicly on the basis of what's generally described as common perceptions ought to

***"It surprises trade unionists, and even management, in other countries to see the degree of jungle venom that lurks under the veneer of employers in the United States."***

be compelled to a sequential viewing of The Oxbow Incident every few days.

Crooks hurt us if they get into the trade union movement.

The problem that concerns me is not any lack of diligence in moving against the trade union movement, against individuals, but a tendency to invent theories of offenses to bring charges and pursue people —theories that are fairly abstruse—to bring criminal charges.

For example, we've had cases where the task force has gone in and said, "Well, this action involving the expenditure of funds was taken by the executive board when it should have been voted by the general membership; therefore, those on the executive board or the officers are guilty of embezzlement." That's coldly technical and a bizzare and unique and original interpretation. It got to the court; the court threw it out. But we have that problem.

In fact, many of the things that businessmen routinely get away with would be felonies if you're a trade unionist.

I can imagine what the outcry would be if golden parachutes were voted by the executive board of a union. What would you fellows say? It would be a good story, wouldn't it?

I'd rather make the philosophical point that corruption is inherently individual and not institutional; that in any line of an endeavor, including journalism, if sufficiently attractive bait is trolled across the waters, there will always be a few fish who rise for it.

**REPORTER:** Do you want to add any specific comments on the funding of Dept. of Labor investigations?

**KIRKLAND:** I don't quarrel about vigorous law enforcement if it's fair and is not a "gotcha" game or an effort to create contrived theories of the kind that go against even what's popularly understood as wrongful. What I object to is the relative allocation of resources, that they give equal attention to the enforcement of the wage-hour laws or job safety and health laws—all of the other laws that that department is responsible for administering.

I believe that all laws are created equal and deserve equal enforcement, and I would like to see the same attention, the same resources, put to the pursuit of people who deprive poor people of their just wage or the minimum wage or who abuse workers and subject them to danger to their life, limb and health. I believe those are heinous crimes and offenses against morality and justice and ought to be pursued with equal vigor. But in the enforcement, some laws apparently are more equal than others to this crowd. They pick and choose what they enforce. And I think that's malfeasance.

**REPORTER:** Is the antagonism between management and labor growing?

**KIRKLAND:** I believe it's clearly acute in this country. It always kind of surprises trade unionists, even management people, that I talk to in other countries, to see the degree of jungle venom that lurks very close under the veneer of employers in the United States. So I think it's a pure matter of their being presented with an opportunity to stomp, and when they are given such an opportunity and such an advantage, they stomp.

**REPORTER:** Do you support U.S. aid to the contras in Nicaragua?

**KIRKLAND:** No. If I had been asked, which I was not, at the time the question of the contras was under consideration by this Administration, I would have counseled against any such adventure. And it's not because I hold any brief for the government of Nicaragua. I don't. I think it's an oppressive regime. I think it's the source now, and will be even more so in the future, of a great many problems in Central America. I think there is a serious problem of Soviet/Cuban involvement that's going to plague us for a long time. And I also believe that if a regime or an alliance of that kind is in the business of spreading fleas throughout an area, it's not unseemly that they should be made to scratch themselves with a dose of their own medicine.

No, I would have argued against it because we have a long history of leading people, various groups, up the hill and abandoning them. With the Montagnards, with the Kurds, UNITA in Angola, the Tibetans—the world is littered with the debris of our operations of that kind which we have abandoned. And I foresee the same thing happening, in Nicaragua. I don't think we should make commitments which we are ill-equipped psychologically and politically and otherwise to pursue. I am opposed to overt/covert operations—and we don't seem capable of carrying out anything but an overt/covert operation—just on grounds of pure common sense.

And finally, if we have a real threat down there to the security of the United States, I'm opposed to contracting out the defense of our own security. If the threat is not sufficient to warrant our own defense of it, then it's not that persuasive to me. I'm not for contracting it out to others to do for us.

I believe one other thing—that those who argue that the civil war in El Salvador should be resolved by negotiations leading to the full participation of the rebel forces in the country should accept the logic that the same principle applies in Nicaragua. So I would favor a negotiated resolution of the termination of the civil war in Nicaragua, based upon the full participation of those elements in the electoral process and in the country.

**REPORTER:** Are you in support of the bill by Congressman Gray on South Africa? It seems stronger than what the AFL-CIO says.

**KIRKLAND:** Oh, I think our position is stiffer than the bill that's been put up. I believe that bill needs strengthening. That bill does not mention what I think is the key problem, and that is the detention laws. I don't know why they overlook that. I think it's the crux of the problem.

The bill doesn't mention freedom of association and the promotion of the full recognition of the rights of the working people of South Africa to organize themselves and have full trade union rights. I would want to strengthen it in those regards.

I think it's a little weak in that it gives all these options on the basis of any one of which the Administration could say there's been progress and therefore it ought to be waived, including things that have nothing to do with apartheid, such as Namibia. It's an issue in itself.

I want a resolution of the problem, but that's listed in there with all these apartheid practices, and I think it should be dealt with separately. I don't think you should give them the opportunity for the Administration to come in and say, "Look, we've got a deal on Namibia, so everything is

***"The object of the regional conferences is to get a free exchange of views. . . . I want to listen and to have a conversation back and forth; I want to get as close to the rank-and-file as is feasible."***

hunky-dory down there and we can waive," while apartheid continues to flourish or even gets worse. So that needs a little more careful thinking. I'm in agreement with the intent of it.

We have been in close consultation with our friends in South Africa in the trade union movement, black unions, a number of them. They were up here. We had a conference with them. I had extensive direct conversations with them in which we explored all of these things, including the question of disinvestment, and we have taken the position that we are prepared to engage vigorously in a selective, targeted disinvestment campaign—not a scattergun, but one focused on particular offending firms and companies. And we particularly singled out the detention laws as something that we should use every kind of pressure to persuade the South African government to abolish.

We're having a meeting of the Executive Board of the ICFTU here in Washington in April, and we'll have a special session on the issue of South Africa and measures that the free trade union movement of the world ought to agree on and coordinate.

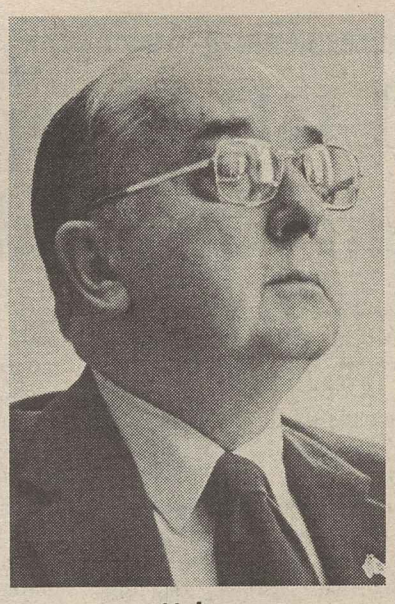
**REPORTER:** This is the time you go out on the regional conferences. What are your objectives this year?

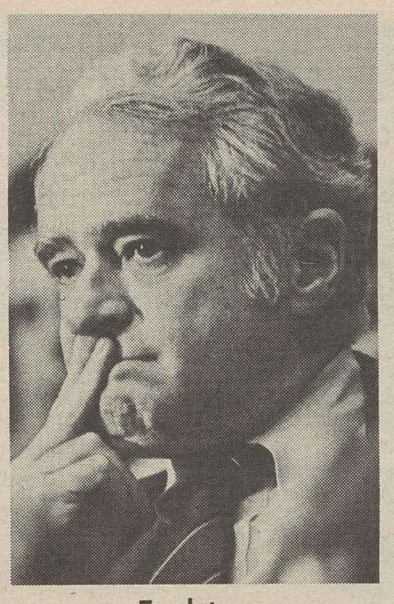
**KIRKLAND:** The chief object of these meetings is to get a free exchange of views. We have structured them so that it's not just an exercise of my making some speech to the assembled brothers and sisters, but to exchange views so that I can hear from them what's on their minds and any criticisms or views that they might have as to things we ought to be doing that we're not doing or that we're not doing well enough. That's the primary purpose, and that will be the driving purpose on the round.

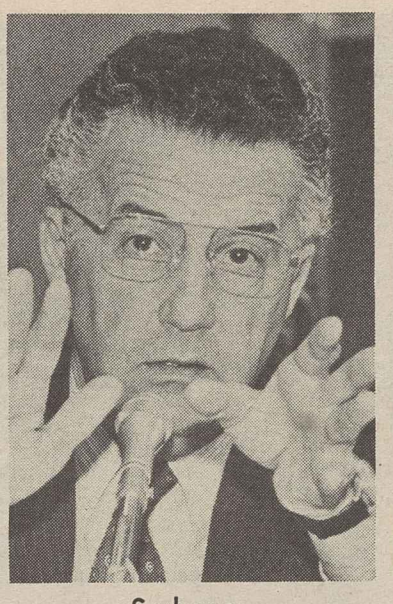
We will, of course, take up a few specific issues and develop a broader understanding and some activism on some issues that are timely. For example, the taxation of fringe benefits will be something we'll talk about. We'll be discussing other issues that have plagued us for a time—trade problems and the destruction of jobs.

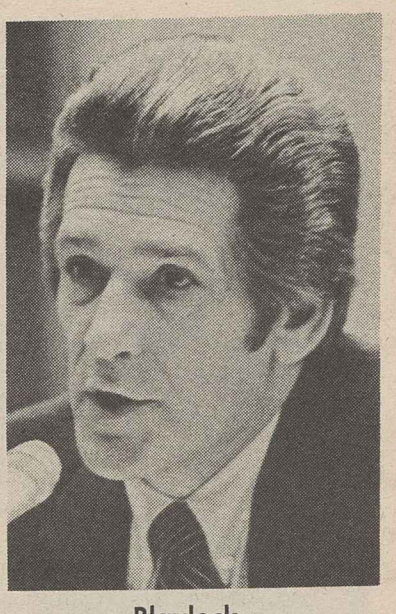
But mainly I want to listen and I want to have a conversation back and forth; I want to get as close to the rank-and-file as is feasible.


Schroeder


Helms


Eagleton


Sarbanes


Blaylock

**Partisan role assailed**

# Unions want rejection of Devine nomination

**Continued from Page 1**

Devine saw nothing wrong with his taking an active part in political campaigning while drawing pay as administrator of a supposedly scrupulously non-partisan civil service. It's OK, he told the Senate Civil Service subcommittee, because presidential employees aren't subject to the Hatch Act.

Sen. Paul S. Sarbanes (D-Md.) suggested that the Office of Personnel Management skated mighty close to violation of a ban on government employees moving on and off the payroll to work on political campaigns.

An OPM associate director left government to direct the campaign of a Republican who ran unsuccessfully against Sarbanes in the 1982 election and was back in his old job the Monday after the election.

Devine's explanation: "I did not leave his job open, but I did not fill it."

### Campaign speeches

Sen. Thomas F. Eagleton (D-Mo.) noted that in appearances on behalf of at least 12 Republican candidates for Congress last fall, Devine was usually accompanied by OPM aides who were also former Reagan campaign officials.

Devine said his campaigning didn't detract from his official duties because "I work 12 to 13 hours a day." Earlier, he had explained that "a presidential appointee works 24 hours a day, 365 days a year."

As for the entourage of politically chosen aides traveling at government expense, Devine said he needed them along to help keep in touch with the agency while he traveled.

Other Democratic senators were equally skeptical of Devine's mixing official and partisan duties.

Rep. Patricia Schroeder (D-Colo.), who heads the House Civil Service subcommittee, told the Senate panel that Devine has repeatedly bordered on disregard of law on issues that included forcing changes in the federal employee health benefit program, resulting in "a substantial increase in cost to employees and substantial reduction in benefits."

He has provided "inaccurate and misleading information to Congress on the retirement system," Schroeder charged.

Blaylock and other witnesses recalled the "dirty tricks" memo that an aide to Devine prepared. It advocated manipulating a study of pay equity in the federal service in such a way that it "would immediately divide white-collar and blue-collar unions," create "disorder" among Democrats, "pitting union against union and both against radical feminist groups."

Unions expect to have disagreements with the Administration and "to engage in vigorous debate" over differences, Blaylock said. But "what we do not expect is lies and intentional distortions of the issues."

Representatives of non-affiliated unions and an association of federal executives expressed comparably strong opposition to Devine's confirmation for a second term.


OPM Director Donald Devine, right, gets advice at Senate hearings.

# Steelworkers, Upholsterers shape proposal for merger

Pittsburgh—The Steelworkers and the Upholsterers moved closer to a merger as the UIU executive board approved a plan for consolidation.

USWA President Lynn Williams announced at a meeting of the Steelworkers executive board that merger negotiations are continuing between ad hoc panels representing officials of both unions.

Williams said that under the merger plan approved by the UIU board, the Upholsterers would become a division of the Steelworkers operating out of UIU's current headquarters in Philadelphia.

"The autonomy of local unions will be assured and all contractual rights will be protected," Williams said.

Williams said that all local presidents and business agents, recording secretaries and field staff members of the UIU were advised of the merger discussions in a letter from UIU President John Serembus.

"We have had several months of rewarding conversations with President Serembus and his officers and we believe that we are now in a position to recommend final steps to put together a merger under both the UIU constitution and that of the Steelworkers," Williams said.

Under the merger plan approved by the UIU, a special convention of the Upholsterers would be held to consider all aspects of the proposed merger once the two unions' executive boards reached final agreement. The convention would be followed by a membership referendum.

Under the USWA constitution, the union's executive board has final authority to approve a merger agreement.

The UIU has about 35,000 members, most of them in the furniture industry, and the USWA has about 700,000 members.

# *Labor asks strong toxic dump law*

An extension of the Superfund toxic waste dump law should include authorization of at least $13.5 billion in cleanup funds over the next five years, union witnesses testified at a House hearing.

Stressing the need for strong legislation, a panel of labor representatives urged the Public Works & Transportation subcommittee to reject the Reagan Administration proposal. The Reagan bill shows "a complete lack of concern for the people whose lives and property are threatened by toxic substances," they charged.

The Environmental Protection Agency, in the five years since enactment of the Superfund law in 1980, has cleaned up only a handful of sites—thousands of others remain unaddressed, Legislative Director Brian Turner of the AFL-CIO Industrial Union Dept. told the subcommittee. The law expires Sept. 30.

Turner said that besides the $13.5 billion in funding, the reauthorization measure should include mandatory cleanup schedules, effective cleanup standards, coverage of federal properties and compensation for victims of toxic substances. He also called for comprehensive worker protections and training, public participation, increased health studies and taxes on imported chemicals.

The Reagan bill proposes only $4.5 billion in cleanup funds, while shifting 60 percent of the funding burden to an untried waste end tax scheme, Turner noted. He charged that the already lackluster pace of cleanup will be further slowed by increasing the amount of funds that states must contribute.

Current funding for the cleanup program is $1.6 billion, an amount that would cover cleanup of only about 10 percent of the 2,200 sites on the EPA's national priority list, Legislative Director John J. Brown of the Operating Engineers pointed out. EPA estimates the total cleanup costs at between $23-$33 billion, while other estimates range as high as $100 billion.

### Tax imports, too

AFL-CIO Legislative Rep. Jay Power told the subcommittee that the Superfund tax that is imposed on domestic producers should be "equally and effectively applied to imports of chemicals and petroleum."

Citing the decline of the U.S. petrochemical industry over the past five years, Power stressed that "it is critical that Superfund not place the domestic industry and its workers at a competitive disadvantage with foreign producers." He said it is imperative that Superfund taxes be levied on all imported chemicals on a "dollar for dollar basis with domestically taxed products."

Auto Workers Legislative Director Dick Warden said toxic waste sites in communities such as Love Canal, N.Y., Times Beach, Mo., and Woburn, Mass., are little more than "large chemical soup mixtures" that have resulted in abnormally high cancer rates, childhood leukemia, birth defects, sterility and other afflictions.

The Superfund bill also should include provisions for victims' compensation. At a minimum, Warden said, Congress should create a federal cause of action making it possible for victims to bring suit in the federal courts with the "presumptions of proof favoring the victims."

The union witnesses said victims should also be able to file claims with the Superfund for lost wages, medical costs, relocation expenses and other out-of-pocket expenses related to toxic waste exposure.

Steelworkers Legislative Director Jack Sheehan told the panel that the key to reducing the number of future victims may be the inclusion of a community right-to-know measure. He urged provisions similar to the requirements in a bill introduced by Rep. James Florio (D-N.J.).

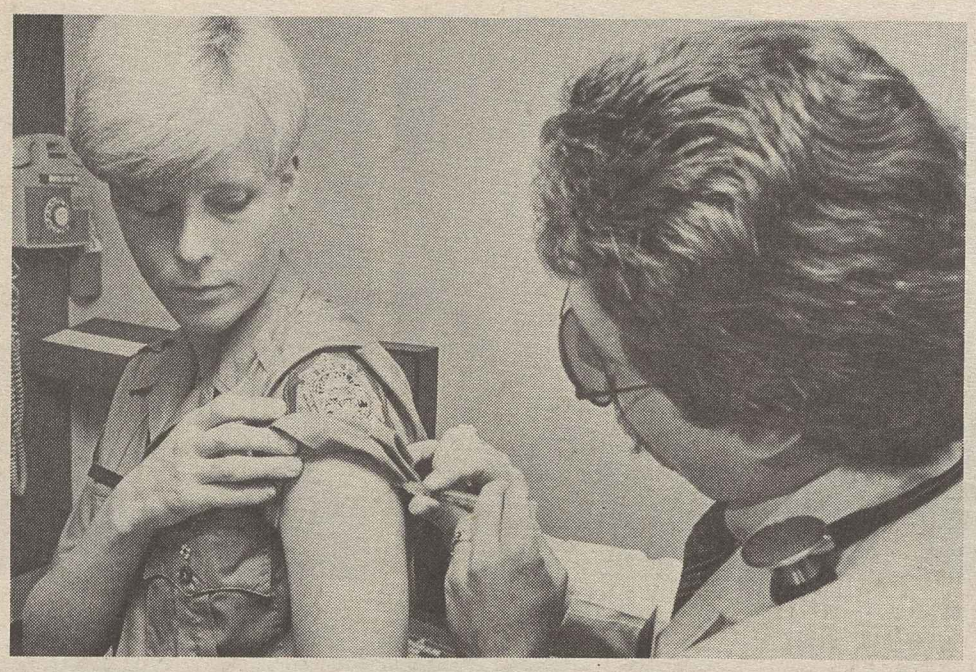
Sheehan called for a community right-to-know provision to regulate manufacturers, transporters and users of hazardous chemicals. It should include adequate reporting requirements and emergency plans and cover all chemicals regulated by government agencies, he said.

## Providence next

**The second 1985 AFL-CIO regional conference will be held in Providence, R.I., Apr. 28-29 with five satellite meetings planned to expand on the "exchange of ideas" between federation officers and union members.**

**AFL-CIO President Lane Kirkland will be at satellite meetings on Apr. 29 in Manchester, N.H., at noon and in Portsmouth, N.H., at 7 p.m., and in Augusta, Me., at noon on Apr. 30. Sec.-Treas. Thomas R. Donahue will be in Lowell, Mass., on Apr. 29 at noon and in Springfield, Mass., at 7 p.m. that same day.**

**The regional conference is for the states of Rhode Island, Massachusetts, Maine, Vermont, New Hampshire, Connecticut and Pennsylvania.**



## Shot of prevention

Fire Fighters Local 1403 member Kerry Lorich is innoculated against hepatitis B in one of the first major voluntary vaccination programs sponsored by the Fire Fighters and Florida's Metro Dade County fire and rescue squads. The program is viewed as a prototype for other departments.

# *Job rights of handicapped viewed as bargaining issue*

Leesburg, Va. — Collective bargaining offers one of the best means of providing job protections for disabled workers, AFL-CIO Vice President Joyce Miller told a symposium of labor, management, government and academic leaders here.

In addition, collective bargaining is a prime area for creative collaboration between labor and management on ways to assist the disabled, Miller said.

Miller, who is a vice president of the Clothing & Textile Workers, suggested that union contracts could serve as vehicles to protect the disabled against discrimination just as such agreements now restrain discrimination against women and minority groups.

She also stressed the need to negotiate ample health benefits, rehabilitation services and training programs for the disabled.

The symposium focused on a review of current cooperative activities for the handicapped worker, identified obstacles to widening the scope of such activities, and recommended ways to overcome them.

Cosponsors of the program were the Labor Dept.'s Bureau of Labor-Management Relations & Cooperative Programs, the National Institute of Handicapped Research, the Dept. of Education, and the President's Committee on Employment of the Handicapped. The AFL-CIO assisted in organizing the symposium.

The most important concern of the worker who becomes disabled is job transfer, Miller observed, adding that collective bargaining agreements should guarantee the right of newly disabled workers to transfer to a job which they can perform if their old job is beyond their physical capabilities.

"These transfer rights should be in accord with the rights and privileges of seniority within the company," she said. "Salary levels commensurate with those wages previously earned should be guaranteed."

Both labor and management also need to be flexible enough to offer solutions to workers in the pre-retirement age bracket who are especially vulnerable to hypertension, stroke, heart attack, depression, and other age-related conditions, she said.

Solutions to individuals in this situation could include job restructuring, shorter work hours, assistance in getting to and from work, and transfer to work sites more convenient to the employee.

# Football players roll up gains in first USFL accord

**Continued from Page 1**

had been under contracts paying only $7,500 a season.

Allen said that although the average salary and benefit levels are lower in the USFL, the overall package matches most of the protective benefits and security clauses in the National Football League.

The agreement came after nine months of negotiations between USFL management representatives and the union. This contract "is a positive sign for the future of the league," said Allen, who is also secretary-treasurer of the Federation of Professional Athletes—the parent union of the NFL Players Association.

The new agreement provides $30,000 in life insurance for rookies and $50,000 for players in their third year and beyond.

The health care package is fully employer-paid and covers players' families. Major medical coverage ranges up to $1 million and hospitalization, surgery, maternity and dental coverage is provided, along with disability and injury protection benefits.

Limits were placed on the training camp and squad rosters. The teams are limited to four pre-season games, 18 season games and three playoff games.

## ICFTU board agenda focuses on South Africa

The executive board of the International Confederation of Free Trade Unions will hold a special meeting on the problems of black unionists in South Africa when it convenes in Washington Apr. 11-13.

Leaders of the Brussels-based confederation, to which the AFL-CIO belongs, will discuss strategies that would pressure the South African government to end its racial policy of apartheid.

The three-day meeting will hear reports on violations of trade union rights in other countries, with special attention on Latin America, Poland and the Pacific basin.

Board members will also review policies of the International Monetary Fund.

### Union-busting tactic

# NLRB complaint hits Marval Poultry payoff

Harrisonburg, Va.—The struck Marval Poultry Co. has been accused in a National Labor Relations Board complaint of making illegal payoffs to workers to persuade them to oust their union bargaining representative.

The complaint was issued by the NLRB's regional office in Baltimore following several months of investigations of charges filed by Local 400 of the Food & Commercial Workers against the huge turkey processor.

In the complaint, NLRB Regional Director Louis J. D'Amico alleged that Marval personnel director Robert A. Wolfe violated the federal labor law last summer when he "telephoned employees and solicited their assistance in a campaign to decertify the union, and promised to compensate employees for such assistance."

Marval has been the object of an AFL-CIO consumer boycott since last October. Local 400 members have been on strike against the company, the biggest turkey processor in the country, since last June when it rejected major concessions demanded by the company for a new contract to cover the 800 production line workers.

Local President Thomas McNutt said he was pleased with the NLRB complaint, but added that the company could tie up the case for years through legal appeals. He said the union intends to continue the boycott and strike against Marval until a new contract is reached.

"We've represented Marval employees for more than 20 years," he said. "We're not going to abandon them now."

The NLRB's five-month investigation of the union's charges included on-site visits and interviews with management and employees. The unfair practice complaint will be considered by an NLRB administrative law judge at a May 21 hearing in Harrisonburg. The Marval processing plant is in nearby Dayton, Va.

Local 400 Executive Vice President William Sellars said the union has documented evidence that bribes and other illegal forms of inducement were used to get employees to sign a petition against the union.

"The law just won't allow them to use that kind of tactic," McNutt said. "Marval's effort to remove the union by unilateral edict reflects their general approach toward labor relations. They don't want to bargain seriously. They want everything their way.

"Because we wouldn't agree to a contract that stripped their employees of all rights and left them helpless, Marval tried to destroy the union."

Even while on strike, the union has been representing Marval's employees, involving itself in seven arbitration cases over the last nine months. In six of the seven cases, impartial arbitrators sided with the union and found that the company had violated the rights of its employees. The seventh case is pending.

The NLRB complaint did not specify the amount of alleged payments by the company to workers, but Local 400 attorney Robert Paul said the union has affidavits from employees describing company offers to pay $15 for workers to come to the plant early to solicit anti-union petitions, and $15 to stay late for the same purpose.

Paul said the company earlier had hired Atlanta labor attorney James Wimberly as a consultant in the contract negotiations.

If the charge is upheld, the NLRB could order Marval to recognize the union again as the workers' bargaining agent. After the administrative law judge's hearing, either side has the right to appeal his decision to the full NLRB.

"The NLRB complaint is a vindication of our position," McNutt said. "It is a clear signal to Marval and others that they can't violate the law without fear of reprisal."

# Eastern Airlines, 3 unions wind up wage bargaining

Miami—The three major unions representing employees at Eastern Airlines—the Air Line Pilots, Transport Workers and Machinists—neared the end of their current negotiations with the carrier on pay concessions aimed at cutting the airline's losses.

The Pilots ratified a revised package of wage reductions and productivity increases by a 2-to-1 margin. Meanwhile, the Machinists reached a tentative agreement, and the Transport Workers are voting on a separate settlement.

ALPA, which represents about 4,000 Eastern pilots, approved a pay agreement reducing salaries 13 percent below 1981 pay rates, retroactive to Feb. 1.

The ALPA pact will run concurrently with the union's existing collective bargaining agreement, which becomes amendable at the end of this year. Negotiations for a new contract are scheduled to begin in May.

The TWU's two-year agreement covers the airline's 6,500 flight attendants. Ballots are expected to be counted on Apr. 12.

The IAM accord, covering 12,000 mechanics and ground workers, is patterned after an interim agreement reached in February that keys productivity increases to the restoration of full wages. A membership vote on the contract is expected in mid-April, the IAM said.

# National farm-labor alliance mapped

St. Louis—Labor and farm leaders from 17 states pledged to form closer ties to create a new national political alliance with roots in state coalitions.

A conference of more than 100 representatives of farm groups and unions, including the AFL-CIO, Auto Workers, Government Employees, the unaffiliated Teamsters, National Farmers Union and American Agricultural Movement, unanimously endorsed a call for the farm-labor alliance.

In adopting a series of goals and principles for the state coalitions, farm leaders pledged to seek their members' backing for legislation to cut the U.S. trade deficit while union representatives endorsed proposals for farm price supports and other agricultural goals.

UAW President Owen Bieber termed the meeting "one more step in our continuing efforts to form stronger coalitions and alliances with other workers and groups, such as farmers with whom we can make common cause for a strong American economy and for American jobs."

Other trade unionists taking part included state AFL-CIO Presidents Daniel J. McVey of Missouri and James J. Wengert of Iowa, and L. D. Porter, AFL-CIO Region II Director.

The union and farm representatives said Reagan's economic policies are "a central cause of the farm crisis." They cited the punitive interest rates and shrinking export markets for farm goods that the Administration's huge budget deficits have brought. Real farm prices have fallen below the depression levels of the 1930s and nearly 300,000 family farms have been liquidated in the last four years, they pointed out.

"America's misguided economic policies have caused farmers to go bankrupt, but they have also cost more than 60,000 workers who build farm machinery to lose their jobs over the last four years," the statement observed.

Organizers of the new alliance said many of the groups had cooperated in the past, but the current effort is the most comprehensive yet.

"When the auctioneers and the sheriffs look out before them and see union members and farmers arm-in-arm, they will know we have decided not just to mourn, but to organize and to fight back," the conference statement conc. .ded.

# Veto warning stops bill on aid to jobless

**Continued from Page 1**

on the issue. Rep. Richard T. Schulze (R-Pa.) provided the lone GOP vote for an extension.

The committee also sidetracked the permanent extended benefits bill.

The AFL-CIO had urged in testimony and letters that the FSC program be extended, noting an increase in the percentage of long-term jobless workers and the plight of communities where workers have been hit by plant closings and large-scale permanent layoffs.

Unemployed union members came to Washington to carry their case to Congress and a House Democratic caucus prodded the Ways & Means Committee to act.

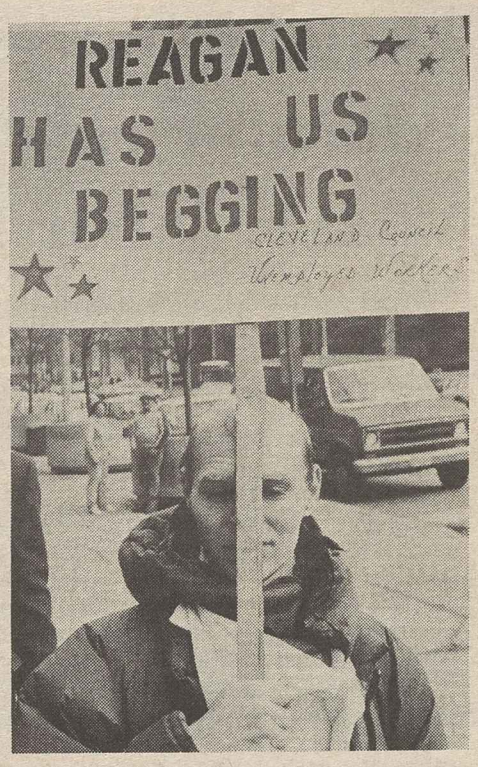
But with a one-week Easter recess approaching, the judgment of the House leadership was that a phaseout was the most that could become law and any further effort would be tilting at windmills.

It was, Rostenkowski conceded in presenting the phaseout bill on the House floor, a "very small gesture to the nation's long-term unemployed."

Rep. James L. Oberstar (D-Minn.), who had convened the House Democratic caucus by petition when it appeared that nothing would be done, welcomed the fact that the persons on the rolls would not be cut off.

That's "the least we can do," he said, but it's not enough. "This is not the House's finest hour. We ought to be offering at least a three-month extension."




# A message from Cleveland—and the nation

Cleveland—The demonstration in front of City Hall was for a continuation of federal supplemental compensation for the long-term unemployed.

The chant of the demonstrators—union and religious leaders as well as jobless workers from the Cleveland area—was, "We want jobs." Signs carried in a march from City Hall to Republican headquarters read, "Reagan Has Us Begging."

Speakers at the rally, organized by the Cleveland Council of Unemployed Workers, were equally blunt.

"Reagan has stolen the workers' lunch," Steelworkers District Director Frank J. Valenta said. He blamed the Administration's economic and trade policies for the shrinkage of 47,000 USWA jobs in the district to 26,000 over four years.

Wallace Kaufman, executive director of Painters Council 6, said building trades workers as well as industrial workers have felt the brunt of high unemployment.

The Rev. Jeremiah B. Pryce of Antioch Baptist Church took Congress to task for its neglect of the unemployed and the needy.

The rally, and others like it across the country, sought to awaken Congress and the White House to the plight of millions bypassed by economic recovery. The message was heard, but largely ignored.

# *Poland's repression persists despite 'amnesty'*

**By James M. Shevis**

New York—Nine months after Poland enacted amnesty legislation that was supposed to have eased repression, "gross and massive" violations of human rights persist in that country, the Committee in Support of Solidarity charged in a document outlining the abuses.

"In fact, there's been an increase in violence since the Amnesty Act," said Eric Chenoweth, the committee's director.

The 82-page report covers the period from January 1984 to January 1985 and describes repeated violations of the human rights provisions in international covenants ratified by the communist regime.

During the period, at least 17 persons were killed under mysterious circumstances by unknown assailants connected to the police organs. Their deaths followed the killings of 68 others since the imposition of martial law in Poland on Dec. 13, 1981.

Chenoweth said even that number has grown since the beginning of this year. As of late March, new killings have come to light that put the total at 130, he said.

Besides the killings and beatings, there is the widespread use of detention and political imprisonment of Solidarity members and leaders, excessive force by police to repress peaceful assembly, inhumane and degrading treatment of political prisoners, and the pervasive use of arbitrary dismissals and denial of employment to Solidarity members and former political prisoners, the committee's report said.

### Documented violations

The document has been submitted to the United Nations Commission on Human Rights, the International Labor Organization, and the International Confederation of Free Trade Unions. It is not intended as an exhaustive account of the full range of human rights violations in Poland.

Rather, it is intended to supplement the documentation provided by the Helsinki Committee in Poland in its "Third Report on Human and Civil Rights in the Polish People's Republic: January-September 1984."

The information for the report was gathered from independent underground publications of the outlawed Solidarity trade union, official government sources and the Helsinki Committee in Poland.

Chenoweth said the killings by "unknown assailants" introduce a new tactic of repression designed to instill fear and terror into the populace.

"As a practice, the state authorities do not investigate such killings or, if they are investigated, do not apprehend the perpetrators," the report observed.

"In only one case of political murder have the immediate perpetrators of the crime been apprehended and tried, that of the murder of Father Jerzy Popieluszko.

"Even in this case, no higher officials of the Ministry of Internal Affairs were implicated in the official investigation, despite a three-year campaign by the Ministry of Internal Affairs and the government press against Father Popieluszko for his defense of human rights."

Since the murder of Father Popieluszko, eight other killings have been reported. In all cases, police functionaries were implicated in the deaths, yet no formal proceedings have been instituted against them.

In 1984, when investigations were undertaken into unexplained deaths or deaths resulting from the use of force or beatings by police, the prosecutor's office either ended them "for lack of evidence" or falsely labeled the deaths self-inflicted, the report charged.

"Often police functionaries will force alcohol down the throat of the victim in order to make it appear that the victim had an accident while drunk," the report observed.

### Crackdown on assembly

Another pervasive form of repression described in the report is the use of force to deny freedom of assembly. Although there were fewer Solidarity-sponsored demonstrations last year, there were a large number of peaceful assemblies during the period. Police used excessive force to disperse such assemblies on numerous occasions and were especially brutal in certain cities, the report charged.

It said state authorities also violated workers' rights of freedom of association, thus denying their right to form independent associations.

In addition, it said one of the most pervasive instruments of state power used to deny freedom of association has been the government's exercise of its monopoly over jobs "to arbitrarily dismiss, demote, or transfer Solidarity members and leaders and to refuse employment whatsoever to such individuals."

# Georgine warns benefits tax would lift government costs

Shortsighted proposals to tax employee benefits threaten a system of family protection on which America's workers have come to rely, President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. charged at House hearings.

Employer-provided health insurance and other job-based benefits should be encouraged by the tax code as a cost-effective way of meeting essential social needs, Georgine urged. Without them, he said, a greater burden would fall on government.

Georgine testified as chairman of the National Coordinating Committee on Multiemployer Plans, a federation of some 140 union-negotiated health, welfare and pension funds. The hearings were called by the House Subcommittee on Labor-Management Relations to examine the impact of various "tax simplification" proposals that would make workers pay income tax on employer payments into their benefit plans.

"In our view, this nation cannot justify an attempt to balance the budget on the backs of working men and women," Georgine told the committee.

"Our workers and their families depend on the retirement, health care, disability, life and unemployment insurance benefits provided by these plans.

"Even if curtailing or eliminating benefits were practical, which they certainly are not in view of the other financial pressures they would create, more equitable and humane ways of raising revenues certainly must exist."

Calling the idea that taxes on health insurance might lead to lower health costs a "pure pipe dream," Georgine pointed to studies that show the actual result would be higher taxes for many low- and middle-income workers. He also noted that collectively bargained plans have been leaders in delivering health care at a low cost.

Georgine said tax reform measures must be directed at areas of actual abuse, not to restrictions of plans that even Congress has said assure meaningful levels of employee benefits.

# 1985 convention additions

*This is a supplemental listing of scheduled conventions by AFL-CIO departments and the federation for 1985.*

| DATE | ORGANIZATION | PLACE |
|---|---|---|
| Aug. 5-8 | Building & Construction Trades Dept. | Chicago |
| Sept. 23-24 | Public Employee Dept. | Washington |
| Oct. 21-22 | Food & Beverage Trades Dept. | Anaheim, Calif. |
| Oct. 21-22 | Metal Trades Dept. | Anaheim, Calif. |
| Oct. 23-24 | Union Label & Service Trades Dept. | Anaheim, Calif. |
| Oct. 24 | Dept. for Professional Employees | Anaheim, Calif. |
| Oct. 24-25 | Maritime Trades Dept. | Anaheim, Calif. |
| Oct. 25-27 | International Labor Communications Association | Anaheim, Calif. |
| Oct. 28-31 | AFL-CIO | Anaheim, Calif. |

# Donahue sees educator role vital to labor

Los Angeles—A major challenge facing labor educators is to demonstrate that union representation is the best available means for workers to express their individuality on the job and to control their working lives, AFL-CIO Sec.-Treas. Thomas R. Donahue told the federation's 1985 education conference.

Donahue said the AFL-CIO's recent report, "The Changing Situation of Workers and Their Unions," makes it apparent that the labor movement has not been sufficiently successful in bringing that point home to working Americans.

Yet, Donahue stressed, the 2½-year study that led to the report by the Executive Council's Committee on the Evolution of Work found no cause for "doom and despair." Instead, it said the data it studied suggest that "a period of resurgence—of sustained growth—is within our grasp."

Donahue's remarks were the highlight of the three-day educational conference, held in conjunction with the annual meeting of the University & College Labor Educators Association. The conference brought together about 160 labor education specialists from campuses and union staffs.

AFL-CIO Education Director Dorothy Shields opened the conference. Workshops focused on polling techniques, labor's historic role, culture and arts for workers, and changing labor's image.

The overall theme, Helping Unions Meet Future Challenges, was the focal point of panel discussions and workshops.

### New impetus

Donahue said the federation's report on the changing work situation, issued at the February meeting of the Executive Council, offers "new impetus" for innovative labor education programs at the local union and community levels. He and other speakers focused on the types of things labor educators can do to build on the report's findings and pursue its recommendations.

Among the specific challenges to labor educators dealt with at the conference were how to reverse the decline in union membership, getting labor's message into the schools, new approaches to media use, and educating the community to the concept of comparable worth among men and women workers.

Other workshops dealt with labor law, organizing campaigns, occupational safety, and corporate strategy techniques.

Workshop panelists also explored ways of enriching labor's public image, and discussed new approaches in teaching with the use of computers and videotape.

The conference closed with a panel discussion on union-university labor education relationships. The conferees also toured Starkist Tuna's unionized factory in San Pedro for a firsthand look at its educational training facility.

The conferees also took note of the 10th anniversary of labor education programs for women trade union leaders, held each year at different campuses in four regions of the country. Cosponsored by unions and universities, the programs provide training for women in such areas as collective bargaining and labor legislation.

# NLRB sees no evil

**Employers can now tell workers that they're in for a rough time if a union wins a representation election—and maybe they'll find themselves out of a job.**

**That's not a threat. It's not even coercive. It's just campaign rhetoric, the National Labor Relations Board says.**

**The NLRB rejected the Molders' objections to an election-day letter distributed to workers at Tri-Cast, Inc., in Spring Lake, Mich., in September 1981. The Molders lost the election 14 to 11.**

**The Reagan-appointed board overturned the regional director's finding that the letter was a misrepresentation of federal labor law. The letter had said the firm would have to "run things by the book" and would not "be able to handle personal requests as we have been doing." The board felt this was a straightforward presentation of a fact. Nor did it find any threat in the claim that "union restrictions" would mean lost business and jobs.**

**But even if the letter were read as misrepresenting the workers' rights, the NLRB said, it would not overturn the election.**

**"The employer's first comment is couched in terms of what might happen 'if' certain events occur. We construe this comment as nothing more than the employer's permissible mention of the effects of unionization," the board said.**

# *Louisiana labor seeks more for jobs, benefits, education*

Baton Rouge, La.—Delegates to the Louisiana AFL-CIO convention called for improvements in all levels of public education, pay raises for state workers and teachers, and restoration of funds for jobless benefits and workers' compensation.

Gov. Edwin Edwards told the more than 500 delegates he will convene a special legislative session this summer to raise money for salary increases for state workers and teachers.

State workers haven't received any pay increases in the past three years, while teachers got a 7-percent pay raise last September.

Following the convention, state Reps. Dennis Hebert and John Travis pre-filed a bill for the upcoming legislative session to boost state employee salaries 10 percent.

With Louisiana's jobless rate now at 11.6 percent, the convention gave special attention to jobs, unemployment benefits and workers' compensation.

### Slashed benefits

Under former Republican Gov. Dave Treen, jobless benefits and workers' compensation were slashed and the employer contributions eased, resulting in severe deficits for both the state funds. The delegates urged the legislature and the governor to restore both funds' health and to improve benefits.

Other resolutions called for more community service jobs, aid for displaced workers, a national industrial policy and reform of the state's labor laws, including prevailing wages for state construction.

State AFL-CIO President Victor Bussie was re-elected to his 30th one-year term. Sec.-Treas. K. Gordon Flory, who has held office in the federation since 1957, was also reelected. Four new district vice presidents are Gene Davis and Onzie Jones of the Teachers, Julius Mines of the Bricklayers and Raymond Baptiste of the Food & Commercial Workers.

Delegates voted support for health and safety standards for public employees, the A. Philip Randolph Institute, Coalition of Labor Union Women, Labor Council for Latin American Advancement, postcard voter registration, and for the boycott against Coors beer.

The convention endorsed the Louisiana Teachers' program of reforms, which includes pay raises, improvements in health and retirement benefits, and funding for teacher education in critical areas.

Delegates also called for full funding of state colleges and universities as well as the implementation of labor studies programs.

Allen Copping, the new president of Louisiana State University, told the delegates that a top quality educational system generates economic development and jobs. He said a reordering of the state's spending priorities, rather than a new tax, would be sufficient to upgrade the state's education system.

State School Superintendent Tom Clausen called for smaller class sizes, higher teacher pay and mandatory kindergarten for five-year-olds.

Among the other guest speakers, Sen. Russell B. Long accused the Reagan Administration of making the United States a "debtor nation," and Lt. Gov. Robert F. Freeman endorsed a state agency shop law, stressing "it's fair, it's right and it's equitable."

# Job training study faults youth policy

A new study of the Job Training Partnership Act (JTPA) finds a majority of local training programs are not providing training and job services to young people to the degree the law requires.

The study, prepared for the National Commission for Employment Policy, looked at job training programs operated by 25 service delivery areas and 15 states during JTPA's first nine months.

JTPA replaced the Comprehensive Employment & Training Act (CETA) program as the federal government's primary job training program in 1983.

Despite claims to the contrary, the study found that the separate state-operated JTPA programs are providing substantially fewer work and training opportunities than were available in the CETA era.

Especially in youth programs, the study found, "JTPA is tilting toward the provision of low-cost, short-term, minimum support activity for those eligible applicants best equipped to enter immediate employment."

### Program weakness

Mike Arnold, executive director of the Human Resources Development Institute, the AFL-CIO's employment and training arm, agreed that failure to do a better job of helping disadvantaged youngsters is a major weakness of JTPA.

The report notes that 43 percent of youths who participated in JTPA programs had high school diplomas or higher education, 31 percent were still in school and only 26 percent were school dropouts.

Lack of any payment to youths in training is one of the problems cited in the report. The study found that the average training period for young people in JTPA programs was nearly 10 weeks less than originally planned.

The report examined other areas of JTPA's operations and offered a mixed review. The surveyed programs did exceed their goals for enrolling welfare recipients. Training costs were lower than anticipated, due to emphasis on quick low-cost placement. The average wage for JTPA graduates was $4.61 an hour, falling short of the federal government's standard of $4.90.

# Conference on jobless youth sees need for added funding

Organizations concerned with employment and training called for increased resources to deal with jobless youth.

At a conference held at AFL-CIO headquarters, staff experts from across the country spoke of the unmet needs for effective assistance to school dropouts and other low-skilled youth under existing Job Training Partnership Act programs. Cosponsors of the conference included the AFL-CIO Human Resources Development Institute, National Alliance of Business, National Commission for Employment Policy and associations of states, counties and cities.

Staffs administering JTPA programs repeatedly stressed the need for more technical services to help local planners develop effective youth programs. The Labor Dept. should be a positive support—not an adversary—in these efforts, participants said, and they called for additional technical assistance such as that provided by HRDI, the National Alliance of Business, and other national organizations.

The group agreed that effective assistance for the youth who most need employment and training programs must start with remedial education to equip them with the basic skills required for job training and jobs.

Yet the high cost of effective remedial programs is a formidable barrier in most states and localities, the conferees reported.

A related consideration, they noted, is the drive to serve as many youths as possible by devoting most JTPA money to inexpensive, short-term services aimed at early job placements. The group called for more research on the long-range effectiveness of such short-term services.

A principal barrier to youth employment is the general shortage of the types of jobs youth have traditionally held, especially in the public sector, participants said. To link youth with jobs, they suggested such strategies as greater involvement of employers and unions in job development efforts, more work experience to prepare youth for regular employment, and vocational exploration, which was an activity provided by HRDI and others until such national program initiatives were ended by the Reagan Administration.



Education Director Dorothy Shields welcomes delegates to the department's annual conference.

# EDITORIALS

## The Problem Persists

PROBLEMS DON'T go away if they are ignored. Problems don't go away if they are ignored. Problems don't go away if they are ignored.

They don't.

That's a lesson that apparently must be relearned by every Congress and by every Administration.

Congress and the White House may hope that the phaseout of FSC, the federal benefit program for the long-term unemployed, will sweep the plight of the jobless under the table. But the governors of states with double-digit unemployment and the mayors of cities where unemployment remains at recession levels know better. They have to deal with it.

The elimination of the federal program would have been less calamitous if the permanent program of 13 weeks of extended state-federal benefits were still intact.

Earlier congresses, unfortunately, so emasculated it that levels of joblessness that should set off loud alarms are not sufficient to "trigger-on" the program.

THERE IS a clear and present need, conceded even by many of the members of Congress who acquiesced in the abandonment of FSC, for a more realistic and sensitive trigger.

In testimony earlier this year, the AFL-CIO outlined the type of protection that is needed, including a third tier of federal compensation in addition to a strengthened extended benefits program.

These changes are still needed, and it shouldn't be necessary to wait until recession again verges on a cataclysmic depression to do something about it.

At the very least, Congress can and should make a start toward minimizing the hardships it has mandated by making emergency repairs to the permanent extended benefits program.

Perhaps a few field trips to communities still ravaged by plant closings and permanent job losses would instill the needed sense of urgency.

Smokestack America isn't the grazing ground of Yuppies.

## Trade Tokenism

THERE IS CAUSE for real concern at the fast growth of our country's trade deficit with Japan, and the certainty that the shipment of an additional 450,000 cars to the U.S. market will tilt it even more grotesquely out of balance.

So the expressions of concern from Congress are certainly welcome, even if the impact of a non-binding resolution leaves something to be desired.

To the extent that some additional American products may be accepted in the Japanese home market, that is all to the good. But knowledgeable people are already discounting the magnitude of any likely increase in U.S. exports.

Without downplaying the impact of year-after-year of ever-growing trade deficits, there is an even greater threat to the American economy.

THE LOSS of an estimated 90,000 jobs, just from the increase in auto shipments above last year's total, represents a loss of 90,000 productive workers who buy goods, use health care services, pay mortgages and try to give their kids a good education.

The addition of 90,000 people to the unemployment rolls represents a dollar drain that must be added to the nearly $5 billion increase in the trade deficit.

The human balance scale is even more tilted than the dollar-yen relationship.

This is the trade union movement's special concern.

Congressional concern is welcome and overdue. But it will be wasted if the White House is allowed to declare victory on the basis of some token concessions.




**Change from within**

# Struggle to end apartheid continues in South Africa

**By Bayard Rustin**

For the last 25 years, predictions of an imminent race war in South Africa have abounded. Most of these warnings have come after sporadic outbursts of violence such as the shootings at Sharpeville in 1960 and the 1976 Soweto student demonstrations.

Recent events have again drawn our attention to South Africa and there are renewed warnings of a bloody race war if the government does not act quickly to end apartheid and establish majority rule. But if we have learned anything about South Africa during the last quarter century, it is that the random acts of violence there are just that, and that an organized, violent opposition which has the strength to topple the military might of the South African government is not a likely prospect.

While the world has waited for what seemed to be inevitable, the South African regime has continued on much the same course that was set in 1948. Apartheid has been entrenched by the recently adopted Constitution and the homelands policy continues, making the majority of South Africans foreigners in the land of their birth. All this is bolstered by a military force more powerful than the combined forces of sub-Saharan Africa.

### Lengthy process

To be sure, apartheid will end someday and there will be black rule in South Africa. However, to continue to assert that violent revolution is imminent is to ignore both the extraordinary military capabilities of the South African regime and its ability to employ extreme forms of violent oppression to maintain the status quo. Change in South Africa will come about through an evolutionary process which will include continued spontaneous violent outbursts on the one hand, and the resistance of individuals and groups dedicated to nonviolent, peaceful change within that country, on the other.

It is the ongoing violence of the government of South Africa and the occasional acts of sabotage by its opponents which attract the fleeting attention of the news media.

Consequently, most Americans are not aware that there are hundreds of groups within South Africa working for peaceful change. They include churches, trade unions, civil and human rights groups, women's groups, and social welfare and humanitarian agencies. People of all races who are committed to seeking democratic change in South Africa are struggling, as individuals or in groups, under the harshest of circumstances.

### Deep commitment

The degree to which peaceful change is possible in South Africa depends largely on the ability of its nonviolent groups to continue the fight. These groups face incredible odds but are committed to the struggle to democratize South Africa.

The South African government responds to both violent and nonviolent resistance with more and more oppression. Its opponents who employ violence face a death sentence or exile at the infamous Robben Island prison. Those who resist nonviolently face detention without trial, jail, and the peculiarly South African invention known as banning which, briefly, relegates one to the status of a "non-person." Some who resist are forced to seek refuge in neighboring states or in Europe.

To date most Americans who abhor apartheid have expressed their opposition in three ways:

- They have urged the American government to abandon "constructive engagement" and to adopt a policy which clearly opposes apartheid.
- They have called for disinvestment on the part of multinational corporations doing business in South Africa.
- They have supported the sports and cultural boycotts of South Africa conducted by much of the world community.

While these efforts have not brought about the end of apartheid, they have let the people of South Africa know that they do have foreign allies in the struggle for freedom.

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# MEMO FROM COPE

## High Court to Rule on Gerrymander

How come *California Democrats* are cuddling up to *Indiana Republicans?*

For that matter, what interest is it that unites *Indiana* Democrats with *California* Republicans?

What's responsible for these improbable—as well as temporary, unofficial and reluctant—alliances is a case the U.S. Supreme Court has agreed to hear later this year.

The case concerns one of the country's oldest political practices, the gerrymander.

The gerrymander has been with us since 1812, when Massachusetts Gov. Eldridge Gerry and his party carved up the state's election districts into bizarre and geographically preposterous shapes to keep power away from the opposition party.

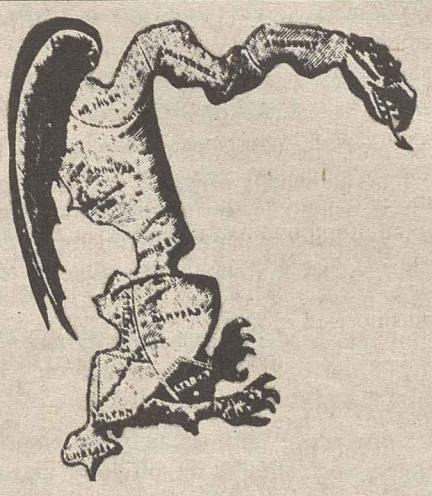
The outline of one district resembled a salamander. Hence, the word "gerrymander," used ever since to describe the practice of redrawing district lines to the advantage of the "in" party and the disadvantage of the "outs."

Both political parties have done it scores of times since Gov. Gerry and his cohorts came up with the notion. After all, the opportunity comes every decade, following the National Census.

And every time one party does it, the other party —which is simultaneously doing it in a state or states where *it* holds the reins—acts like such dastardly behavior is unheard of and flat-out un-American.

Naturally, this kind of good, clean, political fun couldn't go on forever, and now the Supreme Court will decide on the constitutionality of the gerrymander.

The case that will be argued before the court was brought originally by Indiana Democrats against the state GOP's reapportionment plan. Democrats charge under the plan they won only 43 percent of state legislative seats even though they got 52 percent of the popular vote.



**Endangered species—Original gerrymandered district dates from 1812 in Massachusetts. High Court has agreed to rule on constitutionality of the practice.**

A three-judge federal panel already has ruled in favor of the Democrats' challenge.

The irony is California Republicans are making precisely the same charge against California Democrats, using similar figures that show their share of seats under a Democratic gerrymander are far below their percentage of popular vote.

This has led California Democrats to file a "friend-of-the-court" brief in the case before the Supreme Court *in support of Indiana Republicans*—one of the strangest twists in the history of the old and unique American political game of gerrymander.

## Women Legislators Up 80% in Decade

The number of women elected to state legislatures has increased by more than 80 percent in the past 10 years. Women now constitute 14.7 percent of state senators and representatives. It was 8 percent a decade ago. In numbers, 1,097 of the 7,461 legislators are women, compared to 604 in 1975.

The figures were compiled and released by the Center for the American Woman & Politics at Rutgers University.

Other findings: 54.1 percent of the women legislators are Democrats, 45.2 Republicans. (Eight women serve in the nation's only non-partisan legislature, Nebraska.)

New Hampshire has the highest percentage of women legislators, 33 percent, and the highest GOP representation among women, 66 percent in the house and 100 percent GOP in the senate. The state with the lowest percentage of women in the legislature is Mississippi with 2.3 percent—four women out of 174 members.

# Odds 'n Ends

**IN SPECIAL ELECTION** for Michigan state senate, Republican wins to retain 20-18 GOP edge. GOP took control of state senate last year through successful recall movements against two Democratic incumbents who had supported state tax increase. Democrats control state lower body, and the governor is a Democrat.

**FUSSING OVER MONEY** are a couple of right-wing political committees and master-mailer Richard Viguerie. The PACs—National Conservative PAC and Ruff-PAC—are holding back on payment of some $4 million to Viguerie's direct mail firm. Ruff-PAC charges it lost hundreds of thousands of dollars in potential contributions when 750,000 of its letters were "delivered" to a Chicago dump last year.

NCPAC is holding up on $3.2 million charging the mailing cost far more than it produced in contributions. Five other rightist PACs are sitting on much smaller sums owed to Viguerie for his mailing services. These are Committee for Survival of a Free Congress, National Congressional Club (Sen. Jesse Helms' PAC), Tax Limitation Committee, Fund for a Conservative Majority, Gun Owners of America.

NCPAC raised more than $14 million in 1984 but claims in its latest report to the Federal Election Commission to be $4.1 million in debt. Three quarters of that is what it owes Viguerie. The disputed billing involves a mailing of more than 10 million letters in support of the Reagan campaign for re-election.

### Curb Consultants?

**California is moving toward possible regulation of political consultants. The state's Fair Political Practices Commission recently voted to draft, and find sponsors for, a proposal to be introduced in the state legislature.**

**Nothing is firm yet, but reportedly any plan would require political consultants to register and to reveal with what candidates or what interests promoting ballot initiatives they have a contractual relationship.**

**It might also require that all materials prepared for a candidate by a consultant at least be seen by the candidate before they get distribution.**

**A tougher proposal was first put together, but the FPPC reconsidered after consultants raised protests based on the First Amendment.**

**ARE YOU ONE OF THOSE** who starts keeping track of candidates for the next presidential election the second this one ends? Do you read all the speculation you can, and all the polls, and handicapping? Here's some grist for you. Five recent polls taken among GOP voters and activists show Vice President Bush the solid preference for the 1988 party nomination, with support averaging 42 percent against eight other potential candidates. Closest to him is Rep. Jack Kemp (N.Y.) with a 19 percent support average. Third is former Sen. Howard Baker (Tenn.) with a little less than 10 percent.

**IF YOU NEED MORE,** a couple of the polls took the full public pulse pitting Bush against Sens. Gary Hart and Ted Kennedy. Here's how they matched up in percentages: Poll 1—Hart 45, Bush 42; Kennedy 40, Bush 47. Poll 2—Hart 49, Bush 34; Kennedy 46, Bush 40. Using Kemp in a poll of the public at-large, it came out Hart 51, Kemp 25; Kennedy 44, Kemp 32.

**IT'S REAL INSIDE STUFF,** reading all those figures, but at this stage, realistically, meaningless. The 1988 presidential election is 3½ years off. A major national election occurs first, the congressional run in 1986. And, so many things could happen between now and next week—let alone between now and years from now—that no figures can be taken seriously at this point. Enjoy them, though—there'll be more coming. Like baseball fans, political junkies are stat-happy.

**IN CASE YOU MISSED IT,** more on the wonderful future of high tech: To escape paying American wages, some U.S. firms send keypunching and other computer work off-shore. In one instance, workers in Barbados now are getting $2.50 an hour doing work for which U.S. workers had been paid $6.50. It's not too many years since similar events occurred in electronics, typewriters, sewing machines and all kinds of other industries once big—but now barely evident—in the U.S.

**PROPOSED REAGAN CUTS** in aid to state and local governments, if enacted, would cost District of Columbia $128 per citzien; Wyoming $105 per capita; Oregon $97; New York $71; Mississippi $55; New Mexico $64; Alaska $93. Most other states in the $25-$60 range. Figures from study funded by nation's governors, state legislatures.

**STOP PUBLIC FUNDING** of presidential campaigns? Sounds like a rotten idea, but it would happen under Treasury Department's proposed tax simplification plan. Plan omits from tax form box for taxpayer checkoff of a dollar for presidential campaign fund—a fund from which Ronald Reagan, incidentally, has drawn more than $90 million in three runs for the presidency. Treasury officials claim checkoff complicates tax form and confuses taxpayers. In truth, it's about the *only* part of tax form that's understandable.

**MAYORAL, GUBERNATORIAL** contests are the major elections in 1985 apart from any special congressional tests that may arise like last week's vote to fill House seat in Louisiana. Citizens in New Jersey, Virginia elect chief executive, while mayoral races are going on in seven of the nation's 10 biggest cities—Houston, Dallas, San Antonio, New York, Detroit, Los Angeles, Phoenix. Among those seeking re-election, Houston's first woman mayor, Kathy Whitmire; Los Angeles' first black mayor, Tom Bradley, going for a fourth term; San Antonio's first Hispanic mayor, Henry Cisneros.

**CATHY LONG** avoids runoff in Louisiana 8th District special election to complete term of her late husband Rep. Gillis Long, who died in January. She gets 51.8 percent of vote in five-candidate field. She's second widow of House member to win in Louisiana. Lindy Boggs has represented the 2nd District since her husband Hale died in a plane crash in 1972.

**SLASHES REAGAN WANTS** in new medical research grants could undermine the fight against a wide range of diseases and "freeze scientific progress in its tracks," according to Rep. Henry Waxman (D-Calif.), chairman of a House subcommittee on health. Administration demands 25 percent slash in grants. Several health-field spokespersons point out investment in medical research saves money in long run. One, Dr. Thomas Ryan of the Heart Association, claims $1 spent on biomedical research "returns $10 to $16 in reduced illness and medical costs."

AFL-CIO news

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SATURDAY
APRIL 13, 1985

**LEGISLATIVE ALERT!**

PAGE 8

# Budget slams workers, retirees



## ICFTU board meeting

AFL-CIO President Lane Kirkland welcomes delegates to the semi-annual meeting of the executive board of the International Confederation of Free Trade Unions. Meeting in Washington for the first time, the board topped its agenda with a special session on the plight of black trade unionists in South Africa. The Brussels-based ICFTU is made up of 141 labor organizations representing 82 million workers in 98 countries.

## *Seniors blast betrayal on social security cut*

Organizations of older Americans expressed outrage at President Reagan's endorsement of a plan to reduce the social security cost-of-living adjustment and mobilized to block its enactment.

A three-year cutback in COLA payments—the equivalent of a 6 percent benefit cut—was part of the budget agreement the President reached with the Senate's Republican leadership.

At a hastily called Capitol Hill news conference, senior citizen organizations denounced the benefit cutback plan as a breach of Reagan's campaign pledge and an abandonment of a commitment Congress gave to America's workers.

Arthur Flemming, who served in President Eisenhower's Cabinet and now heads the Save Our Security coalition, told reporters: "We are dealing with broken promises. Social security is a compact between the government and the people. When that compact is broken, it undermines confidence in the social security system and in the government itself."

William R. Hutton, executive director of the National Council of Senior Citizens, noted that Reagan himself had earlier made the point that the social security system is separately financed through the payroll tax and hasn't contributed to the budget deficit that is the excuse for the attempt to cut benefits.

"Senior citizens around the country are outraged by the President's action," Hutton said. It comes on top of other budget cuts that would force the elderly to spend more for health care, transportation and housing, he noted.

Former Social Security Commissioner Robert Ball said at the news conference that the system's retirement trust fund is projected to show a $100 billion surplus over the next five years and thus already is contributing to deficit reduction.

### Presidential word

A half-dozen other senior citizen leaders took part in the news conference, and Rep. Claude Pepper (D-Fla.), who has championed the cause of older Americans, promised that Congress would insist that Reagan "keep his word."

The AFL-CIO is on record as strongly opposed to any attempt to tamper with social security benefits. Bert Seidman, director of the federation's Dept. of Occupational Safety, Health & Social Security, said labor is strongly allied with the efforts of the senior citizen organizations in the budget battle.

Initially, the Republican majority of the Senate Budget Committee had endorsed a one-year suspension of the COLA, which would have deprived beneficiaries of an increase of about 4 percent next year.

Under the package worked out with the White House, the COLA for each of the next three years would be held to 2 percent, plus any increase in living costs over 4 percent. Thus the "compromise" under which Reagan dropped his much-publicized opposition to a reduction in social security benefits turned out to be even worse for the elderly than the original GOP plan.

As several speakers at the news conference noted, the move to raid benefit checks comes in a year when the social security system is celebrating its 50th anniversary.

## Senate committee revives attack on Davis-Bacon Act

Republicans on the Senate Armed Services Committee launched a new attack on the Davis-Bacon Act, which requires payment of local prevailing wages and benefits to workers employed on federally funded contracts.

The committee's 10-9 party-line vote amended a multi-billion dollar funding authorization bill for the Defense Dept. so as to exempt all military construction from Davis-Bacon requirements. The amendment also would exempt both procurement and construction contracts from the eight-hour workday provisions of two other long-standing labor standards laws.

The Davis-Bacon Act, which dates from 1931, has already been seriously weakened by regulatory changes imposed by the Labor Dept. during President Reagan's first term. But the committee vote showed that open-shop contractors and their political allies haven't abandoned their effort to wipe it off the statute books entirely. Its elimination from military construction contracts would be a big step toward outright repeal.

The same Senate committee tried the

**Continued on Page 6**

## *Reagan plan denounced as irresponsible*

**By David L. Perlman**

President Reagan's new budget—the result of weeks of negotiations between the White House and Senate Republican leaders—combines a slash in cost-of-living adjustments for elderly and disabled persons living on social security benefits with a multi-billion dollar after-inflation rise in military spending.

It's "at least as socially and fiscally irresponsible" as the version Reagan sent to Congress in February, AFL-CIO Research Director Rudy Oswald said.

The new budget also "shortchanges the nation's needs," Oswald stressed, while allowing the deficit to grow almost unchecked as a result of tax changes enacted in 1981 that substantially reduced payments from corporations and the wealthy. The $175 billion deficit projected for the fiscal year that starts Oct. 1 is only $5 billion less than the earlier version.

Reagan refused to budge from his insistence that any deficit reduction be achieved through cuts in non-military spending rather than new tax revenue. But he agreed to—and by some accounts actually instigated—a scheme to reduce the social security inflation adjustment in each of the next three years. That would actually add up to a bigger cut than the one-year freeze proposed by the Republicans on the Senate Budget Committee.

### Bound to a pledge

The White House initially tried to fudge the issue of Reagan's campaign pledge, insisting that it didn't preclude reducing the amount of the COLA adjustment. But the National Council of Senior Citizens quickly came up with a direct published quote in which Reagan last December acknowledged that he had made such a pledge "and so, therefore, I feel bound by it."

The Senate Republican plan had called for elimination of the social security COLA for one year in order to hold down the deficit. The version the White House advanced as a substitute—cutting next year's COLA approximately in half with comparable further reductions for two more years—would actually cost social security beneficiaries more money.

A projection by the Center on Budget & Policy priorities shows the average social security beneficiary losing $1,667 in cash payments over the next five years and paying an additional $410 in Medicare prem-

**Continued on Page 6**

## Idaho signs for R-T-W fight

**Boise, Ida.—Idaho union members have gathered 61,335 signatures—nearly twice the necessary number—calling for a referendum on the recently enacted "right-to-work" law.**

**State AFL-CIO President Jim Kerns said more than 1,000 union volunteers pounded pavements to collect the signatures in half the time allotted.**

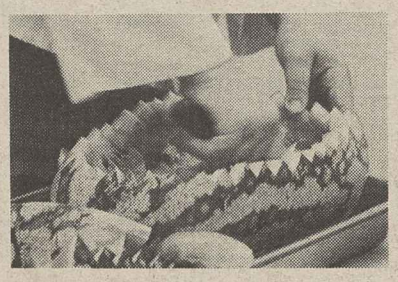
**The petition drive was organized by United Labor of Idaho, a coalition of all unions in Idaho led by the state federation.**

**The signatures were certified by the deputy secretary of state, and the referendum question will be placed on the November 1986 ballot. An additional 5,000 signatures were received too late to be included.**

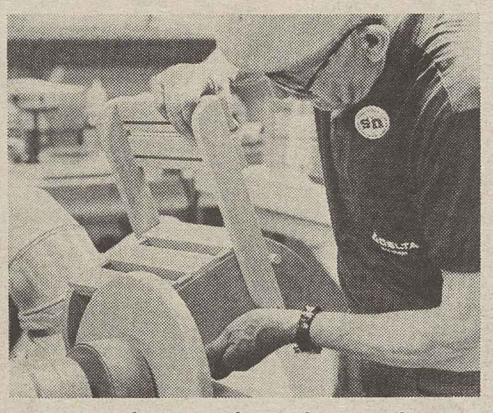
**The new law was enacted earlier this year when the Republican-controlled legislature overrode a veto by Gov. John Evans (D) to make Idaho the 21st "right-to-work" state. Enforcement of the law remains blocked while the state federation pursues court challenges.**

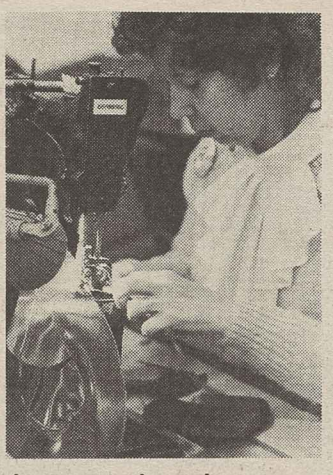
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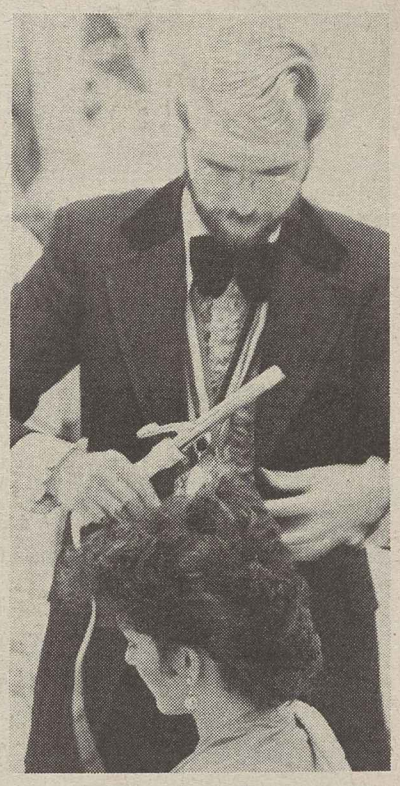








Doing their thing: culinary workers, musicians, carpenters, shoe workers, hair stylists and sheet metal workers.








Turnstiles seldom stopped spinning for the incoming crowd.

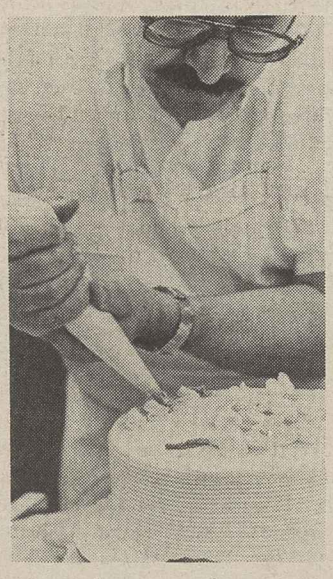
# Union label in the spotlight

Union labels were everywhere in Milwaukee's Mecca convention center for the 40th AFL-CIO Union-Industries Show. Some 300,000 persons passed through the turnstiles during the six-day run.

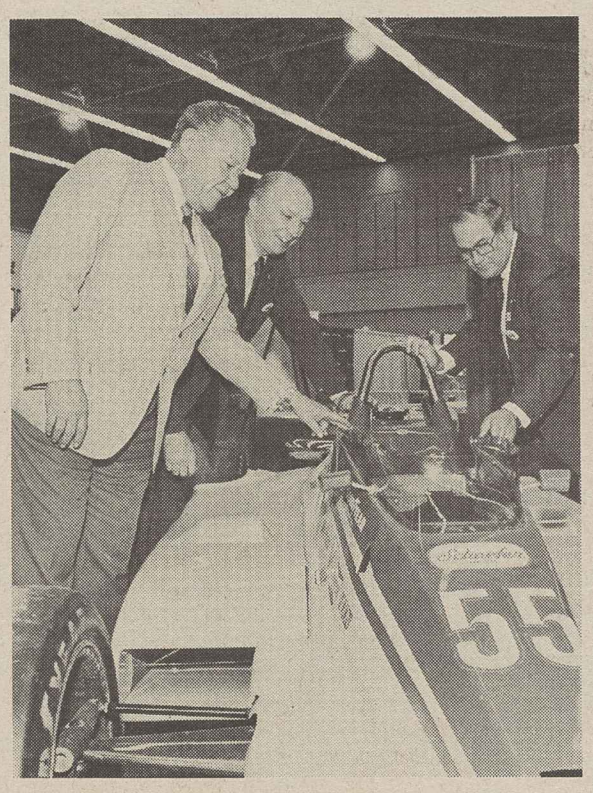
At times, the display area of the expansive convention hall was wall-to-wall with people who came for a closer look at union-made products and the skills of union workers in the 300 exhibits.

Show-goers didn't walk away empty-handed. More than $100,000 worth of free samples and valuable products were given away by exhibitors.

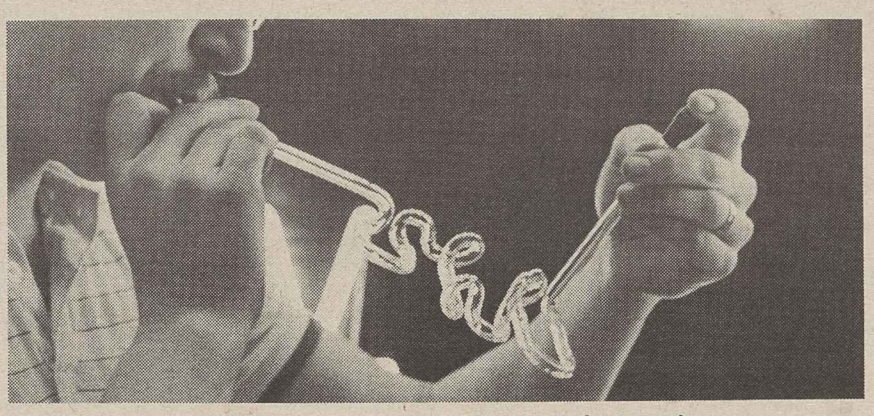
The show is produced by the federation's Union Label & Service Trades Dept. in cooperation with union employers.



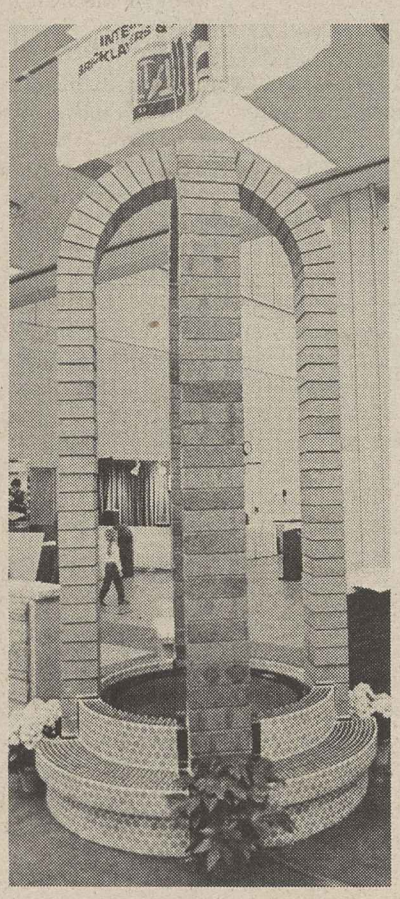
Bakery worker turns icing into roses.



Machinists Sec.-Treas. Eugene Glover shows the IAM's Indy-class racer to AFL-CIO Sec.-Treas. Thomas Donahue and Union Label & Service Trades Dept. President James Hatfield.



Glass worker makes neon sign.



Bricklayers built a decorative arch.



Show-goers throng booths for prizes and souvenirs.

## Record crowds

# Milwaukee welcomes Union-Industries show

Milwaukee—Visitors combing the busy aisles of the 40th AFL-CIO Union-Industries Show at the Milwaukee Mecca agreed on one point: there were more union-made goods on the market than they had thought. They also learned there were some non-union products as well.

"I learned what is union-made and what is not," said Tom Fronsee of Milwaukee, a member of Steelworkers Local 1302 who is employed at Evinrude. "And I also learned that the cigarette I smoked is not union."

More than 300 exhibits, offered under the labels of some 70 international unions filled the 135,000 square foot Milwaukee convention center, drawing perhaps the largest crowds in the show's history. Jack Lutz of the AFL-CIO Union Label & Service Trades Dept., the show's director, estimated that nearly 300,000 persons visited the show during its six-day run to promote the goods and services of union workers in the United States.

"I didn't know there were union barbers in town," observed Dan Iverson, president of Local 150 of the Service Employees, after having his hair trimmed at the hair styling exhibit of the Food & Commercial Workers.

### Union-made computers

Iverson said he was pleased to learn that he could find union-made computers for his office and that he could order union-made phones as well.

Fronsee and his companion, Glen Schemenauer of Racine, also a member of Steelworkers Local 1302, said they learned the invasion of foreign-made goods is real. To the general public, they said, the threat to American industries and workers posed by imports has been a "well-kept secret." A number of unions distributed material at the show outlining the loss of jobs due to unfair foreign competition.

Beth McMahon of Office Employees Local 9 of Milwaukee said she was struck by the number of union-made goods and services and by the wide choice among them she has when shopping.

When asked what she learned at the show, Barbara Wenzlaff, of Milwaukee, a member of Hotel Employees & Restaurant Employees Local 122, replied: "Buy union, buy American."

### Benefits of cooperation

One purpose of the show, Lutz stressed, is to demonstrate that union-management cooperation can pay off for workers, companies and the public. Both the unions and the companies that participate obviously are pleased with the results, he said, because of the heavy level of participation in the show.

"Our unions are putting their money on the line to participate," he said. And the list of companies reads like a "Who's Who" of American business, and they don't take part in such efforts frivolously, Lutz observed.

At the show's opening luncheon Mar. 29, AFL-CIO Sec.-Treas. Thomas R. Donahue struck a similar theme: "The goods and services bearing the union label at this show are proof of what can be accomplished through collective bargaining and the mutual acceptance, mutual respect and give and take that it engenders."

The show indicated that "given half a chance, the American worker can compete quite effectively with products made elsewhere in the world," Donahue observed. He charged, however, that American workers have their "hands tied" by government trade policies that permit a flood of imports, by tax plans that encourage overseas investment and by lack of an industrial policy.

The 1985 show marked the third time the exhibition has been held in Milwaukee. Earlier shows were held here in 1948 and 1975.

Despite the still lingering economic recession and the loss of more than 70,000 manufacturing jobs in the last five years, Milwaukee is still heavily unionized, a fact made apparent by the number of show visitors wearing jackets with union insignia and the strong pro-union sentiment of the crowds.

Tom Parker, president of the Milwaukee County AFL-CIO, said the Union-Industries Show helped boost the enthusiasm of the area's labor movement. "The show helped to show that Milwaukee is a 'class' city and that unions can put on a 'class' show," he said.

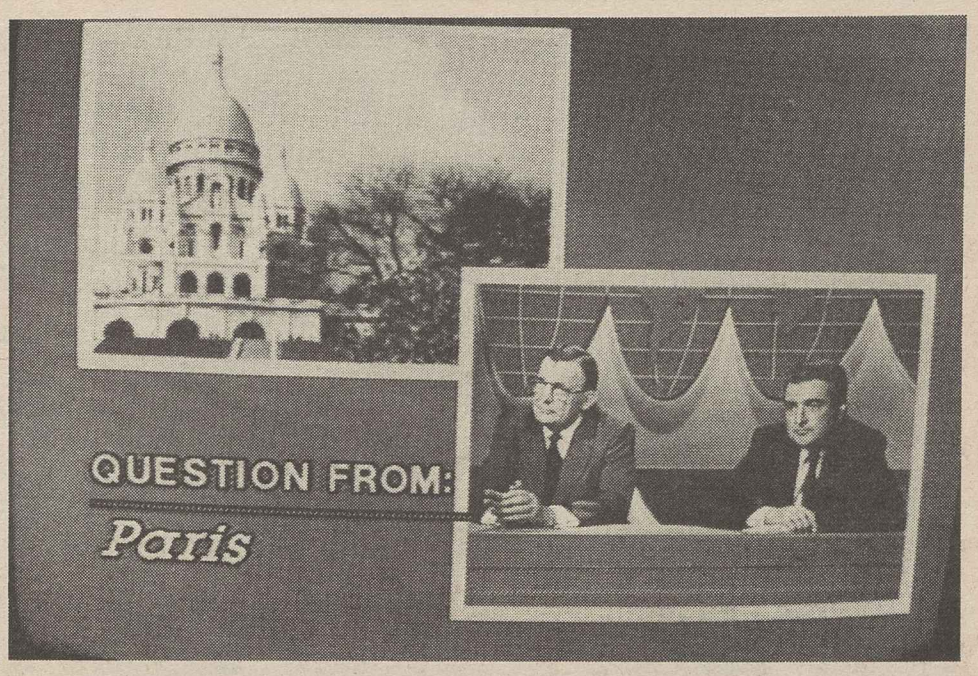
## Prize 'hog'

**Milwaukee—Among the thousands of gifts and prizes given to visitors at the 1985 AFL-CIO Union-Industries Show, nothing was more prized than the Harley-Davidson motorcycle.**

**The full-sized Harley, the only union-made and American-made motorcycle, was presented as a gift of the Harley-Davidson Motor Co. of Milwaukee and of Allied Industrial Workers Local 209.**

**The winner was Larry Miller, 23, of Milwaukee, who had been unemployed for the last four months. His name was drawn from a huge box of ticket stubs as several hundred show visitors who gathered around the Harley-Davidson exhibit watched.**

**The cycle, a 1985 Electra Glide, retails for nearly $9,000, according to Local 209 President Gerald Knackert.**




## Satellite press briefing

AFL-CIO President Lane Kirkland and Gen.-Sec. John Vanderveken of the International Confederation of Free Trade Unions field questions from Paris on the U.S. Information Agency's WORLDNET program, a live press conference beamed by satellite around the globe. Vanderveken, who was in Washington for the ICFTU executive board meeting, joined Kirkland in responding to questions from reporters in Brussels, Geneva, Dusseldorf, Madrid, London and Paris.

# Council backs new boycotts of Armour Food, paper firms

The AFL-CIO Executive Council has endorsed consumer boycotts initiated by the Paperworkers against the Fort Howard Paper Co. and Holiday Cups and by the Food & Commercial Workers against Armour Food Co.

In backing the boycott against Fort Howard Paper Co., the council urged federation affiliates and their members not to buy the nationally marketed products of the Green Bay, Wis., firm.

The paper products to be boycotted include Dolly Madison tissue, Pom-etts tissues, Edon tissues, Antique towels, and Mardi Gras, Page and Sof-Knit tissues, napkins, and household wipes.

The Paperworkers have been thwarted by the "vicious anti-union methods" of the company that has prevented the workers from organizing at Fort Howard Paper mills in Green Bay and Muskogee, Okla.

### Wholly non-union

The UPIU executive board initiated the boycott in February 1985, noting in a resolution that the firm has become the "only major completely non-union producer of paper products in the United States."

In the boycott against Holiday Cups, the UPIU board charged that the firm is trying to destroy the union by refusing to agree to a decent contract for its workers at the Menomonee Falls, Wis., plant.

When the previous contract with members of UPIU Local 200 expired last August, the company implemented its last offer which the workers had rejected.

The company drastically cut wages, reduced health insurance coverage, eliminated some holiday benefits, ended seniority and refused to check off union dues.

The Paperworkers had to initiate a boycott in 1981 to get the contract that expired last August and to get striking workers rehired.

### Drinking cups

The only product produced by the company is drinking cups under the label Holiday Cups. They are widely used in soft drink vending machines. Union members are urged to check vending machines and request that Holiday Cups be replaced with union-made cups.

The UPIU noted that the Holiday Cups brand was bought by Imperial Cup Co. in January 1985. Local 200 members have been working without a contract. Holiday Cups are also made at the firm's non-union plant in Anaheim, Calif.

The UFCW boycott against Armour Food Co., a subsidiary of ConAgra, Inc., centers on the buyout of the firm in 1983 and the firing of some 2,400 UFCW members.

Armour was sold by Greyhound to ConAgra, which said it would consider a "stock buyout" of the firm meaning that it would keep the current workforce, recognize the union and the contract.

But ConAgra demanded that the union agreement be altered. Its contract-gutting proposals would have slashed wages from $10.69 per hour to $8, reduced premium pay, altered vacations and health insurance coverage among other proposals. The membership overwhelmingly rejected these management demands, and ConAgra implemented an "asset buyout" instead, voiding the contract and leaving 2,400 UFCW members without jobs. ConAgra reopened with a new workforce earning only $6 per hour.

### Comprehensive plan

The UFCW executive committee initiated the boycott as part of a planned, comprehensive campaign aimed at encouraging Armour to "compete with other pork packing companies on the basis of product quality and efficiency, and not on the basis of which company can pay the least to its workers," UFCW President William H. Wynn said.

The National Labor Relations Board is investigating unfair labor practice charges filed against the firm.

Among the Armour products being boycotted are Star bacon, Spam, Vienna Sausage, chili and beans, beef franks, pepperoni, potted meat, canned ham and several kinds of salami and baloney.

# *Jobless rate stalled at 7.3 percent*

Civilian unemployment remained stuck at 7.3 percent of the workforce in March despite a sharp rise in the number of people with jobs, the Bureau of Labor Statistics reported.

Officially there were 8.4-million jobless workers last month, but if involuntary part-time workers and discouraged workers were factored into the count, the total would have been 12.5 million and the jobless rate 10.7 percent, the AFL-CIO Dept. of Economic Research said. BLS does not count these groups of workers as unemployed.

An estimated 5.4 million Americans held part-time jobs because they could not find full-time employment last month, a rise of 330,000 from the February level. Meanwhile, the number of discouraged workers —those who said they want work but did not look for jobs because they thought they couldn't find any—remained unchanged in the first quarter of this year at 1.3 million.

Unemployment has been at about the same rate now for the past 11 months, a historically high plateau.

On the employment side, the number of people holding jobs in March swelled by 430,000 to 107.1 million. Large employment gains were reported in service, retail, and construction industries which are not heavily affected by international competition. But factory employment remained sluggish.

### No growth

Manufacturing industries, which have been hard hit by imports, employed 19.7 million Americans in March. There has been essentially no growth in manufacturing employment since last August.

Analysts in and out of government have expressed concern over how long the economy can grow without some pickup in factory output.

BLS Commissioner Janet Norwood, testifying on the March jobs report before the Joint Economic Committee of Congress, noted that four industries—steel, textiles, petroleum, and leather—have continued to lose jobs even during the fragile recovery. And auto employment has declined in the past two months.

Most of last month's growth in jobs benefited women, continuing the trend of the past year. In the 12 months ended in March, the number of employed persons rose by 3 million, with adult women accounting for 56 percent of the expansion, adult men 36 percent, and teenagers the remaining 8 percent.

Nonfarm payroll employment, based on a survey of 200,000 firms employing a total of more than 35 million workers, rose by 381,000 in March to 96.5 million. Goods-producing establishments accounted for 100,000 jobs while services and retail trade accounted for 281,000.

Construction employment rose by 130,000 to a record 4.6 million as weather in most parts of the country generally improved.



# Expanding opportunities

Housing Investment Trust board of trustees adopted plans to expand investment opportunities for AFL-CIO affiliates and pension programs. Addressing trustees is HIT Chairman Floyd Hyde. HIT was established in 1983 as a vehicle for unions to invest pension funds in programs that provide union jobs in housing construction.

# URW selects Goodyear as pattern setter

Columbus, Ohio — The Rubber Workers, continuing a tradition of picking a pattern setter in contract talks with the Big Four tire producers, selected Goodyear Tire & Rubber Co. as the firm it will try to reach a settlement with first in the current bargaining round.

The decision was reached at an Apr. 9 meeting of the URW's 15-member advisory committee here. The panel includes the union's three top officers and representatives of members at each of the four companies — Goodyear, B.F. Goodrich, Uniroyal, and Firestone Tire & Rubber.

Bargaining is currently under way with all four companies. Three-year agreements covering about 36,000 URW members at those firms expire on Apr. 20.

### 16,000 workers

Goodyear, the industry's largest producer, employs about 16,000 workers. The last time the union selected Goodyear as the pattern setter was in 1973.

Once an agreement is reached with the pattern setter, its terms serve as a model for talks with the other three companies. The Big Four master contracts subsequently set the pattern for agreements with smaller tire companies.

While Firestone announced earlier this year that it does not intend to submit to pattern bargaining in the current round of talks, URW President Milan Stone said he expects the company to follow the pattern once it is set.

The union's general goals in the negotiations call for a substantial wage increase, maintenance of the current cost-of-living adjustment provision, and pension improvements.

Uniroyal and Goodrich have already reached accord with the union on the issue of health care, usually one of the tougher issues in the negotiations.

The parties agreed to a review approach to health care that requires a second opinion for non-emergency surgery and makes other efforts to limit health care costs.

# 13-union coalition prepares for GE, Westinghouse talks

A coalition of 13 unions will open contract talks with the General Electric Co. next month with the goal of expanding job security provisions and pension improvements won in the last round of GE bargaining.

Three years ago, the unions anticipated impending job losses and negotiated a job security package that included six months' notice of plant shutdowns, 60 days' notice of the installation of robots or the introduction of new technology, education and retraining assistance for displaced workers, and improved severance and layoff benefits.

In the negotiations set to begin in New York May 14, the Coordinated Bargaining Committee of GE-Westinghouse Unions will seek to widen those protections, Committee Chairman William H. Bywater said.

Bywater, who is president of the Electronic Workers, the union which represents the greatest number of workers at the two companies, said GE and Westinghouse should give more than six months' notice of plant shutdowns so that the unions will have enough time to bargain over the decision and arrange for training and transfers.

### Contracts running out

The union coalition will negotiate for new contracts covering about 80,000 GE workers which are due to expire on June 30. Negotiations on behalf of 34,300 Westinghouse employees, whose contracts run out July 21, will open in Pittsburgh June 4.

The number of union-represented employees is down sharply from the level three years ago when the coalition bargained for 100,000 workers at GE and 41,500 employees at Westinghouse. Since then, Westinghouse has sold its lamp and lighting division and is now completely out of the consumer products market. GE also has closed its lamp plants, and there is only one big GE consumer appliance plant—in Louisville—covered by a union contract.

### Wage demands

Without specifying the figures, Bywater said the unions will ask for a percentage wage increase with a minimum cents-per-hour raise and an improvement in the COLA formula.

Hourly pay now averages about $10.75 at GE and $11 at Westinghouse.

The job security goals of the Coordinated Bargaining Committee include a guarantee of training with pay for all workers faced with layoff.

Ending employee contributions toward pensions also will be an issue in the talks, Bywater indicated. In the past, pensions were contributory at GE and noncontributory at Westinghouse. After a strike in 1979, however, the unions accepted a contributory plan at Westinghouse. The goal continues to be elimination of all employee contributions.

The IUE represents some 47,300 workers at GE and 5,200 at Westinghouse. Other unions represented on the CBC are the Electrical Workers, Machinists, Auto Workers, Technical Engineers, Firemen & Oilers, Sheet Metal Workers, Allied Industrial Workers, Plumbers & Pipefitters, Steelworkers, Flint Glass Workers, and the unaffiliated Teamsters and United Electrical Workers.

## Coors? Never

**Louisville, Ky. — Artificial heart recipient William Schroeder, a retired member of Government Employees Local 1415, did want to toast his successful operation, but he never would have picked a non-union beer like Coors.**

**News wire photos circulated around the world showed Schroeder holding a can of the Coors brew, target of an AFL-CIO boycott.**

**Schroeder's surgeon, Dr. William C. DeVries, took responsibility for the mishap and said Schroeder was deeply upset by the incident.**

**Schroeder was an active AFGE member throughout his quarter century of federal service, serving as an officer and chief negotiator for his local union, at the Crane, Ind., Ammunition Depot.**

# Opposition mounting in ITU to Teamsters merger plan

Colorado Springs, Colo.—A majority of the Typographical Union executive council will be urging the union's membership to vote "no" in a July referendum on a proposal to merge with the unaffiliated Teamsters.

The referendum, which will be by mail with the ballots sent from the ITU headquarters here on July 8, was approved by the executive council. The procedural details are still being developed.

ITU President Robert S. McMichen said in a statement that a majority of the council "and I believe an overwhelming majority of the membership believes the Teamsters deal is a nightmare that would destroy our union." But in the ITU's democratic tradition, the question should be put to the members "to decide the ITU's future by secret ballot," he said.

The ITU/Teamster merger document was negotiated by former ITU President Joe Bingel after he was defeated in a re-election bid.

The decision to allow a referendum vote comes on the heels of a failed merger effort that would have united the ITU with the Graphic Communications Union, an AFL-CIO affiliate. A merger document had been approved and a joint referendum date set for voting on the ITU/GCIU merger. The GCIU General Board, however, voted not to proceed with merger.

Segments of the ITU membership have favored merging with the Teamsters under a plan whereby the ITU would become a division of that union. In announcing the referendum, McMichen pointed out that the union is not required by either federal or ITU law to put the merger question before the membership. The ITU officers decided to do so "to get the issue off the table and put an end to this sordid chapter" in ITU history, McMichen said. "Some of our members want a chance to vote on the Teamster deal—many just to knock it down," he added.

The effort to combine the ITU with the Teamsters began in August 1983 with the bid by Teamsters President Jackie Presser to the ITU convention delegates, who were then ready to vote on merging with the Newspaper Guild. That Guild merger was voted down and Bingel and other officers began working toward merger with the Teamsters.

# *Health plan deductibles on the rise*

Many workers covered by major medical plans had to pay higher deductibles last year, although employers typically paid the full premium cost of coverage, the Bureau of Labor Statistics reported.

A BLS survey of employee benefits in medium and large firms found that 21 percent of the employees with medical coverage last year had to pay the first $150 or more of expenses before reimbursement under the insurance plan. This compared with 7 percent in 1982.

Deductibles of $100 remained the most common in 1984, applying to nearly half of all plan participants, BLS said.

The percent of health plan participants required to pay both an initial deductible and a percentage of subsequent hospital room charges rose from 19 percent in 1983 to 28 percent last year. Another 5 percent paid only a deductible for each hospital admission.

The BLS survey found that more workers were protected against extraordinary expenses resulting from catastrophic illness or injury last year.

The percent of participants having major medical plans that limit employees' annual payouts for covered expenses—usually $1,000 or less—grew to 75 percent last year, up from 63 percent in 1982.

### Increased limits

BLS said that maximum payments from major medical plans were increased in 1984. The percent of participants who could receive unlimited benefits or lifetime maximums of $1 million or more increased to 37 percent, up from 30 percent in 1983 and 26 percent in 1982.

The survey is the bureau's sixth annual study, and provides representative data for 21 million full-time employees in private industries.

Some other highlights of the report:

**Paid time off.** The number of paid holidays averaged 9.8 days. Vacations, which typically varied by length of service, averaged 8.6 days after a year's service, 15.6 days after 10 years, and 20.5 days after 20 years. Paid rest periods or lunch breaks averaged 26 minutes a day.

**Insurance.** Ninety-four percent of the workers covered by the survey had income protection against short-term disabilities. Coverage for treatment in extended care facilities rose from 58 percent of plan participants in 1983 to 62 percent in 1984. The percent of health plan participants covered for alcoholism treatment rose from 53 to 61 percent between 1983 and 1984 and for drug abuse treatment, from 43 to 52 percent.

**Pension plans.** Eighty-two percent of the workers were covered by private pension plans last year. Sixty-three percent of all pension plan participants could retire with full benefits before age 65, virtually the same percentage as in 1983.

## Corporate loopholes hit

# Grassroots campaign pushes fair-share tax

A grassroots campaign to get corporations to pay a fair share of taxes has the labor movement's "strong and solid support," AFL-CIO President Lane Kirkland said.

The campaign was launched by more than 30 public interest groups, unions and other community-based organizations that are seeking more than a million signatures on petitions intended to send a message of tax fairness to Congress and the Administration.

It gets under way in 40 cities across the country on Apr. 15, the day that federal income tax returns are due.

The petitions, from Citizens Organized to Restore an Effective Corporate Tax, call on Congress to repeal "special interest loopholes" and restore the corporate tax as a major source of revenue.

"We pay our fair share of taxes and more," the signers of the petition affirm. "It's time for our largest and most profitable corporations to pay their fair share, too."

State, County & Municipal Employees President Gerald W. McEntee, whose union is taking a major role in the effort, told a news conference that corporate tax loopholes have more than doubled since 1980 and now cost the government more than $90 billion a year in lost revenue.

That's more than the total cost of all low-income assistance programs, he noted. If corporations had paid taxes last year at the same rate as in the 1960s, McEntee said, the federal deficit would have been cut in half.

Central post offices will be the focus of the Apr. 15 start of the petition drive. Letter Carriers President Vincent R. Sombrotto said NALC members will be helping to circulate petitions among taxpayers "making a mad dash to meet the midnight deadline" for returns.

It's time to end the "legal larceny" of corporate tax avoidance, Sombrotto insisted.

### 'Mad as hell'

Service Employees President John J. Sweeney told the news conference that "working Americans get mad as hell when they hear that a corporate giant like General Electric pays no taxes."

Washington Teachers Union President William H. Simons and other participants noted the irony of the fact that W. R. Grace & Co. pays no taxes while the head of the firm campaigns for cutbacks in government as a means of reducing the federal deficit.

Faith Evans, an official of the United Church of Christ, said at the start of the news conference that the coalition affiliates differed in a number of areas but were in full agreement on the need for tax reform and a campaign carried out by local counterparts of the national coalition.

Leaders of the Public Citizen and Citizen Action organizations were among those making statements and responding to questions from reporters. Other groups participating in the news conference included Citizens for Tax Justice, Acorn, Environmental Action and the AFL-CIO Public Employee Dept.

Corporate taxes represented about one-fourth of all federal revenues in the 1950s and 1960s, but had shrunk to only 6.2 percent by 1983 as loophole after loophole weakened the tax structure.

Kirkland's statement on the launching of the petition drive stressed that the decline of the corporate income tax has shifted tax burdens to working Americans and is "a major factor in the huge and growing federal deficits."

He termed restoration of an effective corporate income tax essential to fairness and economic progress.

The amount of tax revenue escaping through corporate loopholes "has ballooned from $8 billion in 1970 to $90 billion today," Kirkland said. That fact, he said, is "conveniently ignored by those who would solve the nation's budget problems through destroying social programs and taxing workers' health benefits, life insurance and other protections."

A recent study by Citizens for Tax Justice identified 128 corporations that paid no taxes on earnings totaling $57 billion.



Campaign to close corporate tax loopholes is backed by Presidents John J. Sweeney of Service Employees, Gerald W. McEntee of State, County & Municipal Employees, and Vincent R. Sombrotto of Letter Carriers.

# Textile, apparel imports termed 'out of control'

The American textile and apparel industry and its workers "face a crisis as they never have before" from imports that have grown "completely out of control," compounded by the unwillingness of the Reagan Administration to enforce existing trade laws, the Clothing & Textile Workers testified at a House hearing.

ACTWU President Murray H. Finley said Administration inaction caused a loss of 200,000 textile and apparel jobs since 1981. Thirteen percent of the nation's record $123 billion trade deficit last year was from textiles and apparels.

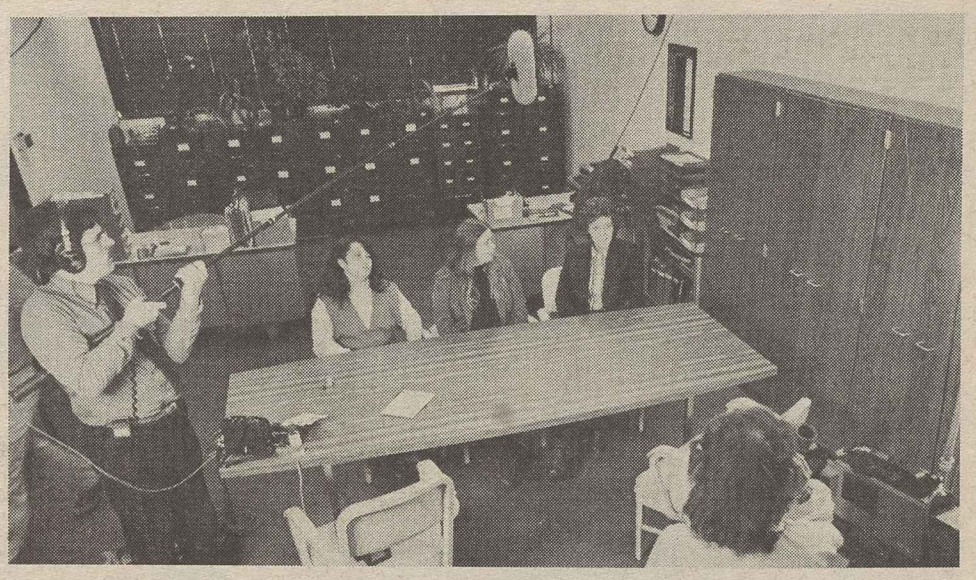
Finley told the House Ways & Means Subcommittee on Trade that the Multifiber Arrangement hasn't been effective. As it was renegotiated in 1981, the MFA would have allowed an annual growth rate of 6 percent for most exporting countries. But the imports have doubled since 1980, averaging an annual growth rate of 19 percent, Finley explained in urging support for a new enforcement bill that is cosponsored by nearly a third of the House and Senate. Finley termed the proposal "a rational and thoughtful approach to orderly trade in textiles.

### Unfair trade

The textile and apparel industries are also bothered by the impact of foreign government subsidies, dumping, targeting and counter-trade arrangements, Finley testified. As an example, he cited the Commerce Dept.'s preliminary findings on countervailing duty petitions filed by ACTWU, that there were at least 34 separate programs in 11 countries "which were believed to confer subsidies on textile mill and apparel products."

The Commerce Dept.'s final rulings, however, were "profoundly disappointing," Finley said. In cases where duties were imposed, "they were unbelievably low."

Finley stressed that the United States has "the most modern, technologically advanced and productive textile/apparel industry in the world today." But he warned that the Administration's willingness to let imports grow at rates such as a 32 percent increase in 1984 could cause U.S. manufacturers to choose not to modernize further in this unstable and uncertain industry.



## For pay equity

Members of the State, County & Municipal Employees—Sue Narikawa, Jill Tardy and Claudia Furlong—go on the air with "A Matter of Fairness." The program, produced by AFSCME for public service television, answers some of the questions and misconceptions on pay equity. The TV tape features former Labor Sec. Ray Marshall, Minnesota Personnel Commissioner Nina Rothschild and actress Betty Thomas of "Hill Street Blues," a strong advocate of pay equity.

# *Union delegation explores causes of Bhopal disaster*

Bhopal, India—An international trade union delegation investigating how to prevent large-scale chemical tragedies reviewed the causes of the Dec. 3, 1984, accident at the Union Carbide plant here that killed more than 2,000 people and injured tens of thousands more.

The week-long mission was sponsored by the International Chemical, Energy & General Workers Federation (ICEF) and the International Confederation of Free Trade Unions (ICFTU).

The delegation's visit followed separate calls by both the ICEF and the ICFTU for strengthened standards on the prevention and control of such accidents in plants where hazardous chemicals are used and stored.

### U.S. delegates

Among the seven-member delegation were two representatives of U.S. labor—Margaret Seminario, associate director of the AFL-CIO Dept. of Occupational Safety, Health & Social Security, and Michael Wright, director of the Steelworkers' health and safety department.

"We learned first hand the enormity of the problems and that it could have been prevented," Seminario said. "We found out that the people had little information about what was being produced across the street from where they live and little information about the hazards. There were no evacuation plans. These conditions, however, are not unique to India—this could happen anywhere."

Seminario said the accident in Bhopal strongly reinforces the case being made by unions and communities across America for strong "right-to-know" laws governing hazardous materials. The delegates will be making recommendations to the ICEF and ICFTU next month on steps that can be taken to prevent such tragedies.

The Bhopal accident resulted from a leak of methyl isocyanate (MIC) from an underground storage tank. While Union Carbide is readying its MIC production facility in Institute, W.Va., to begin producing the pesticide ingredient, the Indian government has filed suit against the firm in U.S. District Court in Manhattan on behalf of its citizens affected by the chemical spill.

The trade union delegation met for two days in New Delhi with representatives of the Indian labor movement, government officials and civil servants from the Labor Ministry to gain an understanding of the functioning and responsibilities of the unions and government in relation to the accident at Union Carbide.

Three more days were spent in Bhopal touring the affected areas and meeting with medical authorities, Union Carbide workers and their union representatives.

# Steelworkers get three-year pact at Kaiser Aluminum

Pittsburgh—The Steelworkers ratified a new three-year agreement with Kaiser Aluminum & Chemical Corp., that exchanges pay and benefit cuts for preferred stock in the company.

The contract, reached 14 months before the previous settlement was to have expired, covers 6,300 workers at 12 Kaiser plants across the country. The early agreement, which is aimed at helping the company recover from a string of losses in the early 1980s, removes the firm from the aluminum industry pattern.

Under the new contract, ratified by 58.5 percent of those voting, total compensation costs are reduced by about $4.50 an hour from the previous level of $26.50. About 80 percent of the concessions will be returned to employees in the form of stock under a plan modeled after one accepted by the union at Wheeling-Pittsburgh Steel Corp.

The company estimated that the reductions will save it $50 million a year and that comparable sacrifices by salaried employees will save another $24 million.

Wages will be reduced $2.19 an hour under the pact, and future cost-of-living adjustments will be paid at the rate of 1 cent for each rise of three-tenths of a point in the consumer price index instead of the old rate of 1 cent for each .26-point rise in the CPI. As with base pay, the COLA payments will be diverted to stock.

Other reductions were made in the area of holidays and vacations and insurance coverage.



## Focus on fiscal affairs

AFL-CIO Sec.-Treas. Thomas R. Donahue tells the 1985 Secretary-Treasurers Conference in Milwaukee how union fiscal operations may change as labor works to meet the changes in the nation's workforce. The two-day meeting covered tax changes, postal rates, pensions, advertising, car leasing and audits. Seated from left are Boilermakers Sec.-Treas. Charles F. Moran, vice chairman of the conference, Steelworkers Treas. Frank S. McKee, conference chairman, and James Kennedy, executive assistant to Donahue.

# *Senate panel revives attack on Davis-Bacon protections*

**Continued from Page 1**

same tactic in 1981, when the Republicans first took control of the Senate.

Then, too, the committee moved to exempt military construction from Davis-Bacon requirements. But the late Sen. Henry M. Jackson (D-Wash.) took the battle to the Senate floor and won.

Jackson, with Sen. Edward M. Kennedy (D-Mass.) as chief co-sponsor, introduced an amendment to restore Davis-Bacon coverage to the bill and it carried on a 55-42 vote. Sixteen Republicans voted with 39 Democrats to keep prevailing wage protection, while seven Democrats sided with 35 Republicans.

Kennedy argued strongly in support of labor standards protections within the Armed Services committee in this year's battle and presumably will be taking the same role in the anticipated Senate floor fight later this spring.

### Priority items

Budget issues will get the lion's share of congressional attention when Congress resumes on Apr. 15, with the Senate expected to act first on a budget resolution.

Still hanging over Congress is the unfinished business of dealing with the staggering U.S. trade deficit, especially the imbalance in trade with Japan.

Japanese government officials have promised to ease the way for a greater flow of U.S. goods into Japan's home market, but nothing that has been seriously mentioned along these lines is likely to make much of a dent. Meanwhile, an increased flow of Japanese autos has jeopardized additional 90,000 U.S. manufacturing jobs.

The phaseout of the Federal Supplemental Compensation program for the long-term unemployed, which Congress approved just before the recess, has been signed into law by Reagan.

It assures that persons entitled to benefits in the first week of April will be able to complete their entitlement period of up to 14 weeks. But no additional persons will be added to the benefit rolls under the legislation.

Also on the unfinished business agenda of the House is a decision on whether Democrat Frank McCloskey or Republican Richard D. McIntyre should be seated as the elected representative of Indiana's 8th Congressional District. McCloskey held the seat in the last Congress, and with several ballot disputes still to be resolved a recount shows a virtual dead beat.

## Victor Lusinchi dies, covered ILO for News

Geneva—Victor Lusinchi, a special correspondent who had covered the International Labor Organization for the AFL-CIO News since 1958, died Apr. 3 while on a trip to southern France. He was 73.

His death was attributed to complications stemming from emphysema, from which he suffered for years.

Lusinchi provided coverage for the AFL-CIO News on the regular sessions of the ILO and its Governing Body as well as special ILO conferences that the United Nations agency conducted. A native of San Francisco, Lusinchi worked for the Exchange Telegraph, a British news agency, from 1934 to 1956 except during the 1940s when he served in the U.S. armed forces. He also worked for the New York Times as a part-time correspondent since the late 1950s and was a free-lance reporter for a number of other publications.

Survivors include his wife Paulette and a son.

### Needs shortchanged

# Reagan's new budget called 'irresponsible'

**Continued from Page 1**

iums due to cuts in other budget proposals.

The new version of the Administration budget closely follows the blueprint of Reagan's earlier proposals for killing off or drastically curtailing federal programs.

It would end mass transit operating subsidies, thus compelling higher fares for millions of Americans dependent on public transportation.

In the face of a recovery that has bypassed large segments of America, it would kill off the Economic Development Administration and the Appalachian Regional Commission.

The Job Corps, despite its broad-based support, would be abolished as too costly. So would Urban Development Action Grants, a key to making inner cities more liveable.

Revenue-sharing would be ended, putting added strains on local and state governments. AMTRAK passenger service would be shrunk or abolished with the ending of federal subsidies. Postal rates for most non-profit organizations would be forced up, and low- and moderate-income housing assistance would be substantially reduced.

### Farmers, students

Despite the wave of farm foreclosures, agriculture aid would be cut back although not to the extent Reagan earlier proposed. The reduction in college student aid—by $2.6 billion over the next three years—is based on a different formula than the Administration earlier proposed. But higher education groups don't consider the new version much of an improvement.

Some of the shifts in the Administration budget were of the frying-pan-to-the-fire variety.

Under present law, federal workers are due for a comparability pay increase to keep pace with the private sector, although in recent years only a fraction of the amount due has been granted.

Reagan's February budget proposed a 5 percent pay cut for government workers. The Senate Budget Committee balked at this, and the White House settled for a pay freeze in the new version of the budget. But it coupled this with plans for elimination of 80,000 federal jobs—in dollar terms, the equivalent of a 4 percent payroll cut.

### Initial version

The White House describes the national defense category of the budget as a cut, since the increase is less than the amount Reagan proposed in February.

The version initially adopted by the Senate Budget Committee was described as a "freeze" even though it actually provided for a 4 percent increase in spending to offset anticipated inflation.

The latest version is described as a 3 percent rise in "real" terms, since that is the increase above the inflation factor.

Adding to the complexity, authorization, appropriations and outlays are all elements of the budget and affect future spending obligations. Thus, the Administration budget projects a similar 3 percent after-inflation rise for fiscal years 1987 and 1988 as well.

In outlays for each fiscal year—the money actually paid by the Treasury—the current fiscal year's expenditures for defense are estimated at $252 billion. The new budget would raise this to $276.1 billion, an increase of $24.1 billion. The military spending estimate for future years is $298.4 billion for fiscal 1987 and $321.4 billion the following year.

During that same period, the funding for education and social services programs would shrink from $30.3 billion this year to $28.8 billion in fiscal 1988.

### Built on sand

The agreement between Reagan and the Senate GOP leadership does not assure that the Republicans' 53-47 majority in the Senate will hold intact on budget issues or enlist Democratic support.

In the House, where Democrats hold a 252-182 majority, the Budget Committee and the party leadership almost certainly will come up with a version less costly on the military side and more adequate in the domestic area than the Administration plan.

The test then will be whether Reagan is able to repeat his successful tactic of 1981, when in the flush of his first-term election victory he was able to split off enough "boll weevil" Democrats to form a coalition majority with House Republicans.

# Unions map ad campaigns to support federal service

Two federal-sector unions are buying radio and television time to fight back against Reagan Administration attempts to belittle government-sector workers and downgrade their worth.

Radio spots in nine cities have been scheduled by the Government Employees, and a television campaign in 17 major markets will be launched next month by the Postal Workers.

The thrust of both campaigns is that the American people are getting full value and more from a hard-working public service.

AFGE President Kenneth T. Blaylock said the Administration's latest anti-worker ploy—announcing plans to abolish 80,000 federal jobs because Congress has been unwilling to go along with a budget calling for a 5 percent pay slash—illustrates the White House attitude.

This isn't the first time that government workers have been portrayed as faceless and overpaid bureaucrats, he said. "But never has an Administration attacked its workers the way this Administration has."

The ad campaign, showing federal employees as "dedicated Americans keeping our country strong," will emphasize the diversity of jobs and services government workers perform, Blaylock said.

They will be shown as "the people who inspect the food we eat, get the social security checks out and keep the border safe," Blaylock said.

The Postal Workers' television theme, to be announced in greater detail later, is that "hard working public employees should not be taken for granted," the union said.

The AFGE blames Office of Personnel Management Director Donald J. Devine for much of the Administration's downgrading of the career civil service, and has strongly opposed Devine's confirmation to a new four-year term. The nomination remains stalled in the Senate Governmental Affairs Committee after hearings that found just about every union and association of federal and postal workers opposed to his reappointment.

Blaylock said the AFGE's counter-offensive will air initially in Boston, Oklahoma City, St. Louis, San Antonio, San Francisco, Seattle and Washington.

Its theme will be that government workers are neighbors who live in communities, work, vote and pay taxes.

"We believe that a greater awareness of what federal workers actually do will help limit the political grandstanding of people like Devine and result in more effective service to the public," Blaylock said.

## Louisiana House seat won by Cathy Long

Cathy Long won a special election in Louisiana's 8th Congressional District to fill out the term of her late husband, Democrat Gillis Long.

By taking nearly 52 percent of the vote in a five-way contest, she was able to avoid a runoff. The district stretches through the center of the state, from the outskirts of New Orleans to Alexandria.

The late Gillis Long had a generally progressive record in the House and Mrs. Long said funding of programs to deal with toxic wastes will be her special concern in Congress.

## Service Contract Act's rules changes upheld

A federal appeals court has upheld the Labor Dept.'s revised regulations that organized labor says undercut the Service Contract Act's guarantee of locally prevailing wages for workers employed by firms performing services for the federal government.

The regulations, imposed in 1983, weaken "successorship" rules that kept firms from cut-throat wage competition to win federal contracts. They exempt entirely from the law's coverage various "high-tech" maintenance and service contracts.

They were challenged by the AFL-CIO and the Building & Construction Trades Dept., in a suit joined by the Carpenters, Electrical Workers, Machinists, Laborers, Seafarers, Service Employees and Transport Workers.

The decision by the U.S. Court of Appeals for the District of Columbia let stand seven of the eight challenged rules. But the court struck down a regulation change that would have exempted most contracts performed outside the United States.

# EDITORIALS

## Raising the Plateau

FOR 11 MONTHS now, the nation's unemployment rate has hovered in the 7 percent range, and obviously the rebound from a devastating recession has lost its spring.

If this is to be the plateau of unemployment until the next recession cycle, it is clearly much too high. This nation's economy is already badly eroded by a pattern of increasingly severe recessions followed by increasingly weaker recoveries.

Five years ago, the rise of the jobless rate to 6.2 percent rated a banner headline in the AFL-CIO News as a foreshadow of recession—and properly so. For 17 months, the plateau of unemployment had been a narrow 5.7 to 5.9 percent range.

Not many years before then, a 5.7 percent rate would have been viewed with serious concern. Now President Reagan sees in 7 percent unemployment a picture of prosperity.

THE RATCHETING UP after each recession of the level of joblessness that is considered normal is a dangerous self-delusion. By denying the problem, it defers the effort to find a solution.

We know where the lost jobs have gone. The trade deficit, to which Congress is belatedly awakening, tells us.

There are measures, even at this late stage, that can retain and expand the goods-producing sector of our economy.

There is still a vast unmet need for salvaging the nation's deteriorating infrastructure and providing affordable housing, not just for the poor but for young working families as well. And as ever-higher unemployment increases the need for public services, the ability of communities to provide them diminishes.

These are the problems our generation lives with. But if they are not recognized, they will not be solved.

## A Fair Share

THE CAMPAIGN to get America's corporations to shoulder a fair share of the nation's tax burden deserves the cheers—and the active cooperation—of all of us.

It represents the most realistic hope for the easing of a budget and deficit squeeze that confronts even the best-intentioned members of Congress with exceedingly difficult choices.

The cooperating organizations, including many of the AFL-CIO's unions and the federation's Public Employee Dept., wisely chose Apr. 15—the deadline for income tax returns—to launch a nationwide petition campaign.

Ordinary Americans, turning in tax returns representing a good-sized bite out of their paychecks, find it difficult to understand why billions of dollars in corporate profits remain untaxed.

Without a fair-share corporate tax, there is no light at the end of the deficit tunnel.

Certainly, the answer is not in a Reagan Administration budget that would sacrifice domestic needs and steal money from the pension checks of the elderly and disabled in order to finance further increases in a $252 billion military budget.

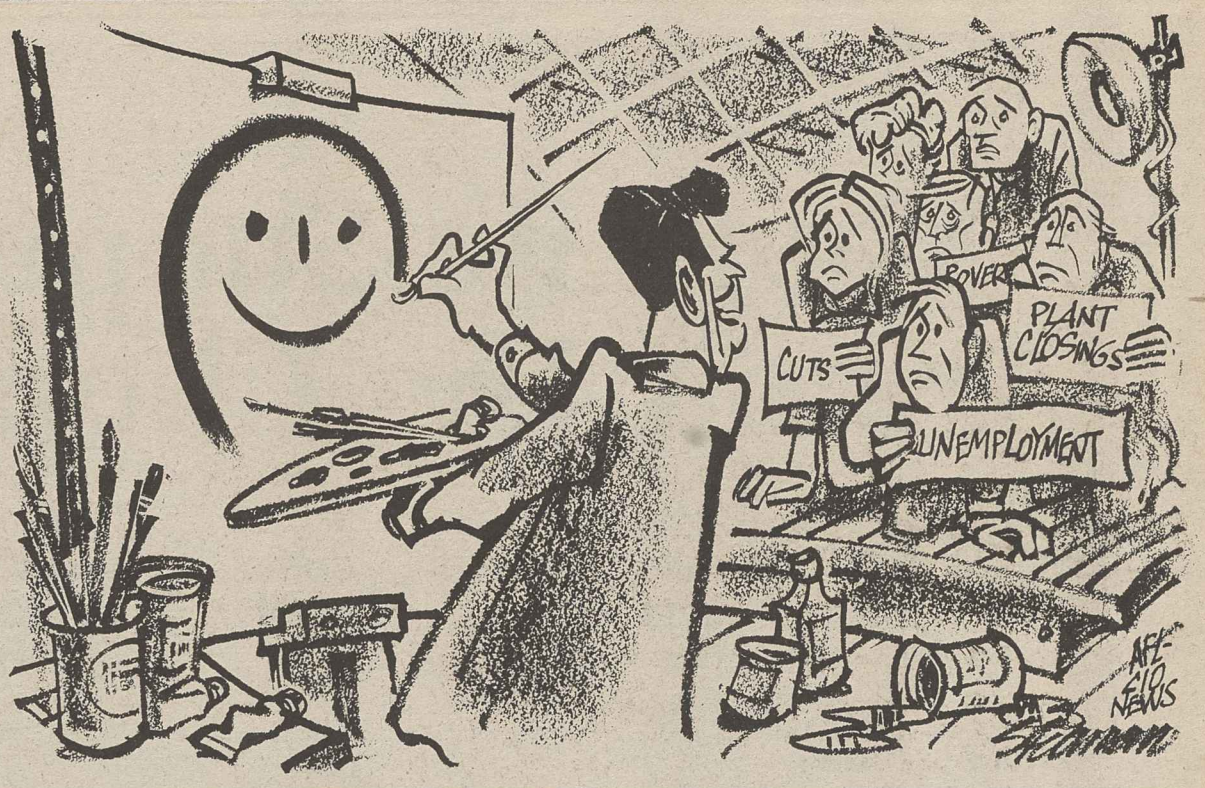
BUT EVEN sensible restraint on the growth of the defense establishment will not free vast sums for other needs and hold budget deficits to manageable proportions. Congress cannot and certainly should not neglect its constitutional obligation to provide for the nation's defense as well as its general welfare.

Corporate tax reform is a big part of the answer.

The people who hurry to get their returns in the mail before the income tax deadline are those whose kids are threatened by loss of school loans, whose parents are threatened by Medicare costs and lower retirement checks, whose jobs are endangered by a deteriorating economy.

Their message, in the words of the petition that union members and community groups are helping to circulate, is a simple one:

"We, the undersigned taxpayers, pay our fair share of taxes and more. It's time for our largest and most profitable corporations to pay their fair share, too."




**Washington Window**

# Reagan budget shuts door on vital public statistics

**By Press Associates, Inc.**

In this age of instant worldwide communications, it may come as a shock that the United States has been falling into a dangerous information gap.

Ever since the Reagan Administration came into office in 1981, it has been trimming, slashing and eliminating vital government reporting and information programs.

These programs, in which "dry statistics" are collected and disseminated, may not seem important at first glance. They may even conjure up the image of a paper-shuffling bureaucrat.

That image, however mistaken, fits comfortably into the anti-government mythology of Reagan, whose budget and staff cuts in statistical reporting programs pose a threat to the nation's economy and public welfare, according to business, labor and congressional experts.

Because of those cuts, there is less reliable information about the labor market, the direction of the economy, population trends, the gross national product, consumer and wholesale prices, the housing stock, health and nutrition, nursing homes, and energy consumption, according to a House Government Operations Committee report.

### Program cuts

The Administration's reduction or elimination of at least 50 major statistical programs has "raised serious questions over the future of the federal statistical system," said the report, which was approved unanimously by the committee's Democratic and Republican members.

Cutbacks in the Dept. of Labor have meant that less and less is known about trends in the nation's labor force, including employment, wages, family budgets, collective bargaining agreements, and strikes. The department's Bureau of Labor Statistics, which recently celebrated its 100th anniversary, has been forced to scale back or reduce the accuracy of some dozen important reports, including surveys of unemployment statistics for localities, the Occupational Outlook Handbook, wage reports on various industries, and the work stoppage survey.

Further, the BLS has scrapped more than a half-dozen reports entirely, including factory hirings and layoffs, analysis of union contracts, a directory of unions, a report on workers holding more than one job, hypothetical budgets for a retired couple and an urban family of four, and a survey of the skills and numbers of workers needed to build schools, hospitals and housing across the nation.

Currently, the Administration wants to drop a planned national survey of dislocated workers.

### Effect on labor

AFL-CIO economist Markley Roberts, who chairs the Labor Research Advisory Council to the BLS, said "the cuts have had a negative effect on union bargainers. We know less about industries and wage patterns, area employment and unemployment, pension and health plans."

Business and government decision-makers at the federal, state and local level also have complained about the growing information gap. And private economist said the government should know more, not less, about the nation's economy and workforce to be better able to take timely action and, as The Wall Street Journal put it, "prevent another Great Depression."

However, a recent proposal by the White House Office of Management & Budget would make the information shortage even worse. The OMB directed all federal agencies to subject their data collection and distribution efforts to so-called "cost-benefit" criteria. The budget office also proposed more user charges, thus limiting information to those who can afford it.

As American Library Association official Eileen Cooke put it to the New York Times, "What's the dollar benefit of an informed citizenry? What's the dollar benefit of housing or health statistics?" She called the OMB move part of "a real trend of this Administration to limit public access to information."

AFL-CIO news

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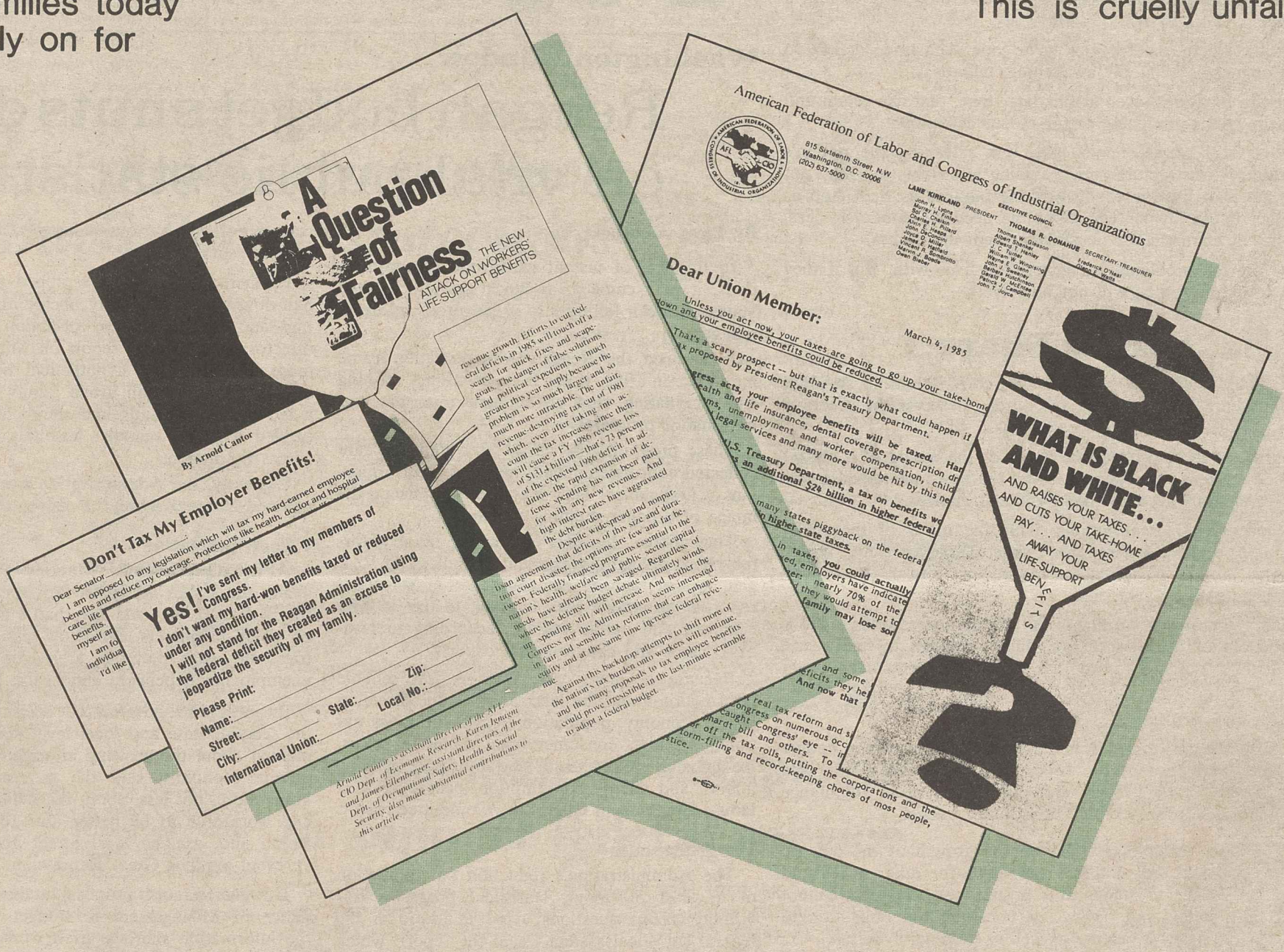
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# Your Life-Support Benefits Are on The Chopping Block!

Congress right now is drafting a tax on the health care, life insurance, dental plans, prepaid legal service, disability payments and other workplace benefits that American families today rely on for their very security. Hidden in the "tax simplification" plan of the Reagan Administration, the new tax will cut your take-home pay, reduce your benefits and leave you with less protection. This is cruelly unfair.




# Here's How You Can Fight This Takeaway!

The AFL-CIO is leading a nation-wide campaign to stop this unfair tax dead in its tracks. The campaign materials shown above are available now from the AFL-CIO Legislative Department to help you spread the word in time to save your hard-earned life supports. Send for them today.

In the meantime, use the letter shown here as a sample or write your own and send it to your two senators and your representative. Write to your Senators, care of the U.S. Senate, Washington, D.C., 20510, and to your Representative, care of the U.S. House of Representatives, Washington, D.C. 20515. Don't wait. Write Now!

Dear Senator _____:

I am opposed to any legislation which will tax my hard-earned employee benefits and reduce my coverage. Protections like health, doctor and hospital care, life insurance, educational assistance, child care, etc., are my life support benefits. Taxing them reduces my take-home pay and could cut benefits for myself and my family.

I'd like to know how you stand on this issue. Please let me know.

Sincerely,

_____

# Stiff sanctions urged on South Africa

## ICFTU calls for action to end apartheid

**By James M. Shevis**

The world's free trade unions approved an action blueprint aimed at eliminating South Africa's racist policy of apartheid, declaring the time has come to step up international pressure against a form of government that denies blacks basic human rights.

The executive board of the International Confederation of Free Trade Unions, meeting in Washington, spelled out a policy of escalating economic sanctions that its affiliates will press for in their home countries, including selective disinvestment by foreign firms now operating in South Africa.

The ICFTU represents some 83 million workers in 145 labor organizations in 99 nations. Most of its affiliates are national labor centers, like the AFL-CIO, that group together the trade unions of their countries. Some individual unions also are members.

At a rare special session of the board during its semi-annual meeting, the ICFTU condemned "all collaboration with the South African regime serving in any way to strengthen or maintain" its policy of total racial segregation, called apartheid.

Meanwhile, Federation Sec.-Treas. Thomas R. Donahue was scheduled to give the AFL-CIO's views on hastening the dismantlement of apartheid at House hearings on legislative sanctions against the racist South African regime.

### Disengagement

The ICFTU board called on all governments to embark on a vigorous policy of "constructive disengagement" that would isolate South Africa from the family of civilized nations.

"The threat of economic isolation is a major concern for the apartheid regime, but must be made more credible by specific commitments to effective action by the large industrialized countries," the board said in a statement approved unanimously.

The statement called on governments to build up, by administrative and legislative action, a tough policy of sanctions culminating in the adoption of mandatory United Nations sanctions to enforce the economic isolation of South Africa.

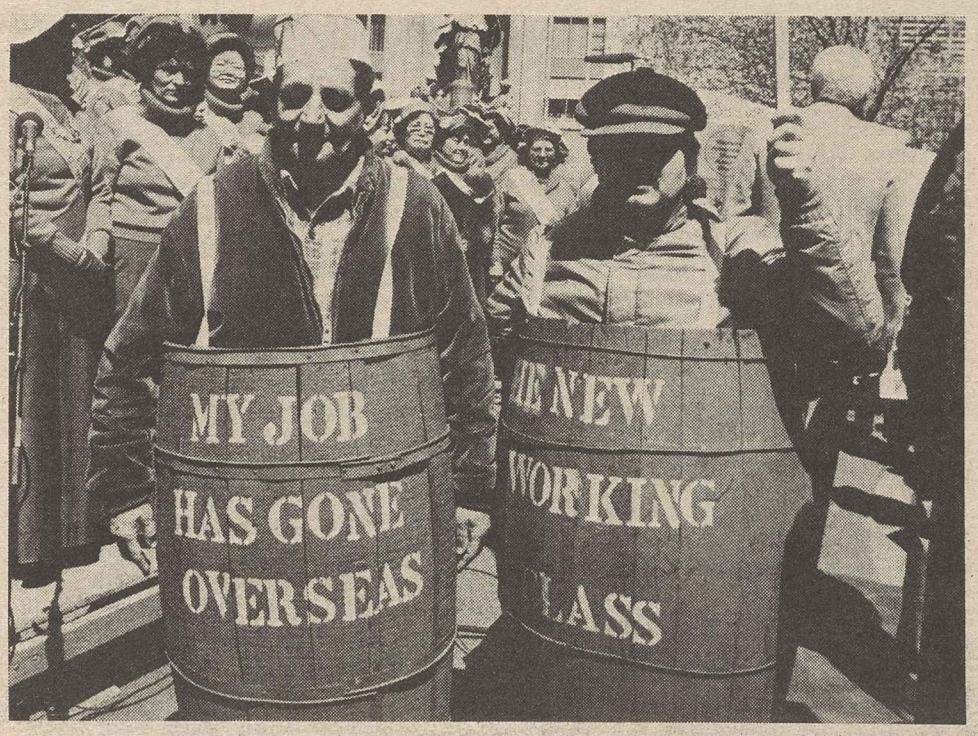
The policy calls for an end to new investment in South Africa by multinational corporations, a stop on bank loans and new loans to South Africa by the International Monetary Fund, and "compulsory

**Continued on Page 3**

AFL-CIO news

VOL. 30, NO. 16
SATURDAY
APRIL 20, 1985

# Building trades gear up for tax fairness crusade




**Time for change**

Garment and textile workers in New York protest the government's deficit-ridden trade policy that is shutting down their shops and wiping out their jobs. The Apr. 10 rally was one of 50 across the country to launch a petition campaign for action to stem the flood of imports. (Story and more photos, Page 4.)

## *3,000 carry labor's case to Congress*

**By David L. Perlman**

More than 3,000 local and state leaders of building trades unions carried a crusade for fairness in tax policy and labor relations to Capitol Hill and then headed back to their home communities to organize a follow-up lobbying effort.

A major focus of the four-day legislative conference of the AFL-CIO Building & Construction Trades Dept. was reinforcement for the labor movement's campaign against so-called "tax simplification" proposals that would tax workers on the value of employer-provided benefits such as health insurance.

Whatever it's called, that's still a tax increase, BCTD President Robert A. Georgine stressed at the opening of the conference. "By counting benefits as though they were income," he said, the government would be taxing workers "on money that never appears in their paychecks."

AFL-CIO President Lane Kirkland told the delegates they will have to "speak more forcefully than ever" to get the attention of Congress and the Reagan Administration.

### Shifting the burden

Otherwise, he warned, the deficit brought on by tax giveaways to corporations and the rich will be used as an excuse to demolish needed government programs and shift more of the burden on to workers and retirees.

Just as Reagan showed himself willing to abandon his promise to protect social security benefits, "the promise of no new taxes does not extend to the taxes that working people pay," Kirkland noted.

The two other fairness issues on the conference's "short list" lobbying agenda dealt with matters of special importance to the 15 building trades unions and their

**Continued on Page 2**

# Rights panel condemned for pay equity rejection

The AFL-CIO sharply criticized the U.S. Civil Rights Commission's attack on the principle of equal pay for jobs of comparable worth and said it won't deter the trade union movement from its fight against sex discrimination in the workplace.

There was "no surprise" in the panel's 5-2 vote attacking the comparable worth concept, an AFL-CIO statement noted.

"The Reagan appointees who dominate the Civil Rights Commission long ago signaled their intent to try to scuttle pay equity, just as they have sought to dilute and diminish legislative and public concern for civil rights in every other area," the federation said.

It pledged a continued fight against sex bias "through collective bargaining, legislative and legal action, exactly as we fought for the child labor and minimum wage laws."

Title VII of the Civil Rights Act establishes the principle that wages should be determined by the value of the work performed, not the sex, race, age or religion of the workers, the AFL-CIO pointed out. And "nothing this commission says can change the law."

**Continued on Page 2**

MEMO FROM COPE

PAGE 8

# *Benefit cuts spell crisis for 650,000*

Another 650,000 Americans will be pushed below the poverty line during the next three years if Congress adopts the cuts in social security and government pensions urged by President Reagan and Senate Republican leaders.

That's the assessment of the Congressional Budget Office on the impact of the budget proposal to limit the COLA for social security, railroad retirement, military pensions and social security retirement. The COLA would be limited to 2 percent next year, with a comparable ceiling for each of the two following years.

Two-thirds of the newly created poor would be elderly, the nonpartisan budget office estimated.

During the Easter Week recess of Congress, senior citizen groups and their coalition allies met with more than 170 House and Senate members in their home districts to ask them to sign a "Birthday Pledge" on the 50th anniversary of social security and the 20th anniversary of Medicare and Medicaid.

### Vote sought

The pledge sought to commit them to "protect the dignity, health and welfare of older Americans" by voting against reducing COLA payments and imposing higher premiums and deductibles for Medicare and Medicaid.

Social security benefits average $452 a month and go to some 36 million persons, mostly elderly or disabled.

The Congressional Budget Office estimated that under the new budget plan, the buying power of social security checks would fall 5.4 percent over three years.

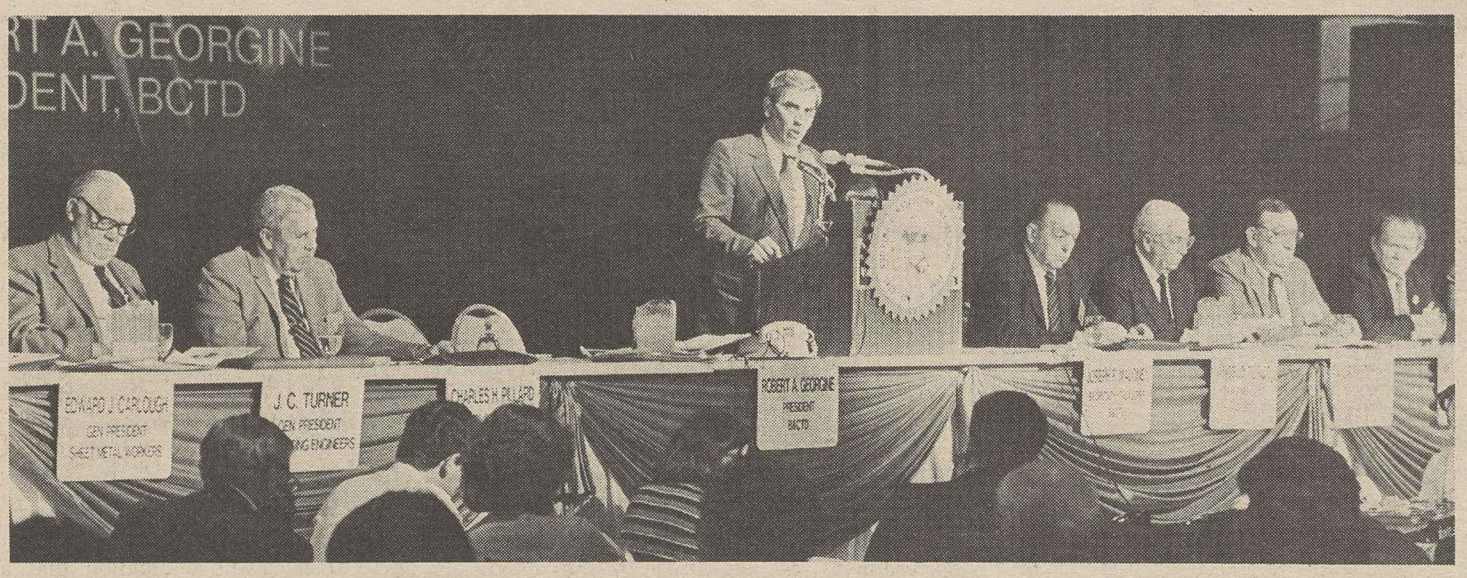
In a related area, a new study by the Children's Defense Fund found that the poor are paying substantially more in federal taxes despite the big 1981 tax cut.

Total taxes paid by the working poor increased 58 percent from 1980 to 1982, the study noted. "Taxes on the working poor have skyrocketed while taxes on the well-to-do and on profitable corporations have declined dramatically," it said.

It noted also that a mother with three children who earned $11,456 and paid $1,384 in federal taxes last year "paid more federal taxes than Boeing, General Electric, Du Pont, Texaco, Mobil and AT&T, although these corporations earned $13.7 billion in profits.

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4/20/85




BCTD President Robert Georgine keynotes building trades legislative conference.

# *3,000 building trades leaders rally support for tax fairness campaign*

**Continued from Page 1**

more than four million affiliated members.

● Through new regulations, the Internal Revenue Service is seeking to curtail travel expense tax deductions for building trades workers who have to travel to job sites far beyond normal commuting distances—or else uproot or leave behind families to move closer to temporary work sites.

The building trades are backing remedial legislation that has been introduced by Representatives Fortney H. Stark (D-Calif.) and Charles Rangel (D-N.Y.).

● Contractors with pre-hire collective bargaining agreements have been able to evade paying prevailing wages and benefits by going "double-breasted," setting up non-union subsidiaries through dummy corporations. Legislation introduced by Rep. William Clay (D-Mo.) and 36 cosponsors would require contractors to apply provisions of a collective bargaining agreement to all their operations.

### Closing loopholes

Clay, who addressed the conference, gave this succinct description of his bill: "Simply, it says that no legal loopholes will be allowed which permit those contractors who have entered into a collective bargaining agreement to weasel out of it."

In the fight against taxation of worker benefits, delegates got a strong and unequivocal pledge of support from Senate Finance Committee Chairman Bob Packwood (R-Ore.).

Packwood's committee has jurisdiction over tax legislation, and he told the delegates that Treasury Sec. James A. Baker III is on notice that no proposal that includes taxation of worker benefits will get the panel's sympathetic consideration.

If such a proposal is included in the Administration tax reform bill, Packwood said he informed Baker, "I will do everything I can to defeat the bill no matter what else is in it."

Georgine and Kirkland addressed a range of labor concerns in their opening day speeches.

Like other segments of the labor movement, Georgine said, the building trades have found they can't rely on the National Labor Relations Board to look after the interests of workers.

"It is we who must organize," he stressed, including "further organizing the organized into a more potent political force, into an aggressive lobbying arm . . . working together across trade and geographic lines."

Skills training must be improved, he urged, pension funds used to generate union jobs, and "we must be more competitive to retain the work we have and to gain new work. . . . Assigning one craftsman too many to a job is as wasteful as having a crew wait a couple of hours for needed supplies."

It's "political realism" to work with both parties in Congress and with the Executive Branch on behalf of union members, Georgine said, but "we make no apologies" for supporting the Democratic presidential ticket "and we don't look for scapegoats."

Kirkland's speech also touched on the outcome of the presidential election.

"We tried hard and failed to elect an honorable candidate who shared our convictions and our principles," he said.

"More important than the outcome are the things you stand for," Kirkland stressed. If unions were to abandon convictions "each time the political winds change direction," he warned, "we would soon stand for nothing, and be good for nothing. The same might well be said of the Democratic Party."

The trade union movement must continue to fight for America's workers, Kirkland said, and do "a better job of getting our message across to Congress and to our fellow citizens."

### Doubting disciples

Kirkland welcomed "signs that even some of President Reagan's most faithful disciples are beginning to doubt the wisdom of trashing our country's productive capacity, wiping out the jobs of millions and the economies of hundreds of communities."

The blame, he suggested, is not on the Japanese "for sending more cars than our market can sustain without grave injury. . . . Common sense should tell us that the guilt lies more with those who threw open the gates rather than those who accepted the invitation."

Likewise, he said, the Administration's "dogmatic conviction that chaos is better than regulation" has led to "wave after wave of corporate raids and takeovers" that leave industry weaker "without producing a dollar's worth of goods or services."

The four-day conference included state meetings and receptions with congressional delegations, an array of speakers from Capitol Hill and other branches of government, and workshops on matters ranging from legal issues in construction to apprenticeship job safety and health.

# Bus firm ordered not to use nonunion, part-time drivers

Durham, N.C.—Duke Power Co.'s transit division, which operates bus lines in Durham and Greensboro, N.C., has been ordered to stop hiring non-union part-time drivers to do the work of its unionized full-time workforce.

Acting on complaints filed with the National Labor Relations Board, Administrative Law Judge William N. Cates ordered the company to rescind the position it unilaterally implemented on Feb. 2, 1984, and to return to the table and bargain in good faith with Transit Union Local 1437 of Durham and Local 1312 of Greensboro.

The contract covering the two locals expired Oct. 31, 1983 and the company contended that it has the right to hire the part-time drivers. Declaring it needed flexibility because the firm was losing money, Duke said it wanted the part-timers for charter runs, split runs, vacation relief and "for anything in general that an extra operator would do." Company negotiators also said any full-timers who left the firm would be replaced by part-timers.

After the unions voted down the company's final offer, Duke declared an impasse had been reached and it instituted the part-time provision. It later rebuffed the unions' attempt at resolving the situation. Cates ruled that Duke "unlawfully insisted to impasse on its demand that part-time employees be excluded from the unit." He determined that the bargaining unit includes, not only full-time workers as stated in the recognition clause, but also "regular part-time employees."

Further, while a company can legally bargain with a union over what constitutes the bargaining unit, it cannot bargain to impasse over the issue which is held to be a "nonmandatory subject of bargaining," Cates said.

Because the company forced an impasse in bargaining by its insistence on a nonmandatory item, the impasse was not a valid one, the judge held, adding that Duke's subsequent implementation of the provision by hiring part-time workers also violated federal labor law.

Besides ordering the company back to the bargaining table, Cates directed Duke to "make whole" any part-time workers for lower pay under the firm's two-tier wage system. It was also ordered to preserve all documents relevant to computing the backpay due these workers.

Cates rejected the union's request that Duke discharge the part-time workers it hired, saying that such employees are "inherently included" in the bargaining unit.

# Reagan panel hit for attack on pay equity

**Continued from Page 1**

The commission majority stirred a firestorm of controversy by adopting a draft report asserting that "implementation of the unsound and misplaced concept of comparable worth would be a serious error."

The State, County & Municipal Employees, which has led the campaign for comparable worth in the public sector, termed the commission's action "insupportable as a matter of law or policy."

AFSCME President Gerald McEntee accused the agency of "ignoring the fact of overwhelming evidence of pay discrimination against working women in traditional jobs like secretary, librarian, and nurse."

President Judy Goldsmith of the National Organization for Women called the report "a biased, absurdly one-sided" study. She called the panel's majority "right-wing ideologues" who speak "only for President Reagan and the business interests who profit from discrimination."

### Lauded by business

The U.S. Chamber of Commerce predictably praised the commission report, and called comparable worth a "fallacy" and a "misunderstanding of the marketplace and the law of supply and demand."

In its report, the commission contended that the wage gap between men and women results "in significant part" from factors other than discrimination, such as unequal education and skills.

"Since the wage gap is not entirely due to discrimination, it is wrong to try to eradicate that gap in the name of anti-discrimination," it said. "Things that are beyond an employer's control should not be the basis for a finding that an employer has discriminated."

Pressure from unions and women's groups recently has given momentum to the comparable-worth concept in some state legislatures and court cases. Six states have begun to adjust the salary scales of public jobs traditionally held by women to make them equal those of jobs deemed comparable that are held by men.

The two commissioners disagreeing with the majority report, Mary Frances Berry and Blandina Cardenas Ramirez, said pay equity "can be an important tool in the arsenal for attacking discrimination."

### PBS focuses on pay equity

Working Women, an eight-part National Public Broadcasting series, will examine the issue of pay equity on PBS stations the week of Apr. 21-27. The episode includes a segment produced by the AFL-CIO's Labor Institute of Public Affairs for its America Works series. It focuses on an AFSCME University of Maryland member who took the pay equity debate to the Maryland State House.

# Solidarity with Solidarnosc

**The International Confederation of Free Trade Unions reaffirmed its long-standing support of Poland's banned Solidarity trade union, and pledged to work for the release of all members and supportrs of the Polish labor organization who are now in jail.**

**In a resolution adopted unanimously, the ICFTU executive board said it would press to end all harassment of independent trade unionists by the communist Polish regime.**

**The action came in response to a letter ICFTU Gen.-Sec. John Vanderveken received from former Solidarity Chairman Lech Walesa.**

**"Support at the ICFTU level is invaluable to us in our struggle for human and trade union rights," Walesa wrote. "We are very pleased that ICFTU support for our cause is not diminishing." He estimated that there are currently about 100 Solidarnosc activists and supporters in Polish prisons, including former Vice President Andrzej Gwiazda.**

**"The fury with which the Polish official mass media have recently attacked Solidarity's representative body abroad, particularly the director of the Brussels office, Jerry Milewski, reveals the authorities' alarm over worldwide support for Solidarity from trade unions, political parties, governments, and social organizations," Walesa said.**

# *ICFTU seeks world sanctions on South Africa*

**Continued from Page 1**

disinvestment" by multinational firms now doing business there, particularly those in the armament, energy, and high technology sectors.

An ICFTU ad hoc coordinating committee will target companies for disinvestment at a June 4 meeting in Geneva. The selections will be made from a list of firms identified by the independent black trade union movement in South Africa as being in violation of internationally accepted standards of labor practice.

South Africa is the only country in the world where racism is entrenched in the governing constitution, as Director Gen. Francis Blanchard of the International Labor Organization observed in an address before the executive board of the International Confederation of Free Trade Unions.

AFL-CIO President Lane Kirkland pledged American labor's wholehearted support in the international campaign to create a free and democratic South Africa.

## U.S. labor backing

"We are in full support of the statement, and we intend to give our support in carrying it out," Kirkland said at a news conference following the meeting. "As soon as we hear from the ICFTU what the target companies are, we will take the steps that are recommended."

The special session on South Africa was the centerpiece of the three-day board meeting, the first ever held in Washington. ICFTU Gen.-Sec. John Vanderveken noted that both the time and the venue of the meeting were significant, occurring just as a new wave of repression against blacks and trade unions was sweeping across South Africa and with the AFL-CIO taking the lead in pushing the Reagan Administration to change U.S. policy toward Pretoria.

## Agenda items

During the meeting, the board also adopted resolutions on the war in the Persian Gulf between Iraq and Iran, the fate of Soviet human rights leader Andrei Sakharov, the East-West disarmament talks in Geneva, Poland's Solidarity independent trade union, and the Tunisian government's attempt to freeze workers' wages.

The board also heard a report on an ICFTU factfinding mission to Central America earlier this year, released its second annual survey of trade union rights violations throughout the world, and approved affiliation of three new labor groups in Japan and one in Guatemala.

In all the discussions on South Africa, the members of the ICFTU board stressed that the only change acceptable to the international free trade union movement is the total abolition of apartheid. Yet there was the realism that change does not come overnight.

"The situation has reached a crisis point," Vanderveken warned. "This crisis situation could result in more arrests and the banning of trade union organizations representing black majority workers.

"This would inevitably lead to a bloodbath, to violence which could not remain confined to South Africa, which would affect us all. Only a coordinated international effort will effectively ward off this tragic possibility."

Kirkland told reporters that what the board wants "is not simply to improve the performance of apartheid, or to ameliorate or to seek a way of living with apartheid. We want to eliminate apartheid."

While the public at large and other governments can do much toward that end, "we believe that the most potent and most effective force for democracy and for peaceful change in that country is the black trade union movement," Kirkland said.

Gen.-Sec. Phiroshaw Camay of the Council of Unions of South Africa, one of the largest groupings in the independent black trade union movement, called for a "synergistic" approach to bring down apartheid, which he described as "a pernicious crime against humanity."

## Continue protests

"There should be mass picketing of South African embassies and consulates. Honorary consuls should be prevailed upon to resign. There should be a strong and vigorous campaign to curtail the sale of South African fruit and other manufactured products. There should be picketing of South African stalls at trade fairs and exhibitions.

"Disinvestment is only part of that synergistic approach," said Camay, a member of the ICFTU board. "There should be a strong, direct, and immediate pressure in every visible way to embarrass the South African government. There should also be a campaign directed against those governments, agencies, and organizations which assist the South African government in spreading its false propaganda of peaceful reform."

## Disinvestment argument

Camay rejected the contention that a pullout of foreign companies from South Africa would cost more in jobs than the tactic might gain.

"That's an emotional argument," he said. "That's the rhetoric of the South African apartheid government. It's the rhetoric that's been used by a lot of other people in support of campaigns against disinvestment.

"If that is the ultimate sacrifice that people would have to make, then that's the sacrifice that I'm sure the membership would be prepared to make.

"We're balancing that against the basic need of the people, the basic need of people everywhere, to enjoy freedom in their country and enjoy the citizenship rights that that freedom will give to people in that country."




ICFTU Gen.-Sec. John Vanderveken calls for economic sanctions to end apartheid in South Africa.

# Eastern Airlines pact rebuffed in ratification votes

Two of three unions that reached tentative agreements with Eastern Airlines rejected the accords in rank-and-file balloting, but members continued on their jobs.

The Machinists and the Transport Workers voted down the proposals that included concessions to help solve the company's financial problems. The Air Line Pilots last month accepted a one-year package of concessions.

Eastern's flight attendants, represented by the TWU, turned down their proposed agreement by a 4-to-1 margin. IAM mechanics and other ground personnel rejected their agreement by about 400 votes out of some 6,600 ballots cast.

TWU represents about 6,800 Eastern employees, IAM 11,500 and ALPA 4,000.

Despite the rejection by TWU and IAM, no strike is anticipated since the parties must first exhaust the procedures of the Railway Labor Act governing transportation industries.

No new talks by either union were scheduled, but the Machinists planned to hold a second vote. IAM District 100 President Charles Bryan said that neither the time nor the place of the vote had yet been decided.

## Pay cuts

All three unions reached agreement with Eastern in February on partial restoration of the 18-to-22 percent pay cuts their members accepted in 1983 to ease the airline's financial problems.

The carrier's creditors have demanded additional labor concessions to keep the airline out of default on $2.5 billion in loans and leasing agreements. They have given the airline until May 15 to settle with the unions.

If Eastern failed to meet the deadline, it ostensibly would be in technical default.

Meanwhile, Eastern posted earnings of $24.3 million in the first quarter of 1985, compared with a $28.1 million loss a year earlier. The profit was the airline's largest ever for a quarter, and marked the third straight quarter of black ink for the company, which reported losses of $362.4 million between 1981 and 1984.

Elsewhere in the industry, talks aimed at ending a Machinists' strike against Alaska Airlines broke down again, this time over back-to-work provisions. More than 600 IAM mechanics and related employees struck the carrier Mar. 4.

**Resistance to apartheid**

# Black unions providing leadership

Resistance to apartheid is gaining momentum inside South Africa, just as it is internationally.

At the leading edge of the struggle is the independent black trade union movement which is "growing both in its strength and in its anger at what is happening in the townships," as Phiroshaw Camay, general secretary of the Council of Unions of South Africa (CUSA), put it at a press conference following the meeting of the executive board of the International Confederation of Free Trade Unions in Washington.

Leaders of the world's free labor unions stressed during the ICFTU meeting that the international campaign to eliminate apartheid is geared to the needs of the black workers and their unions, who they see as the great hope of South Africa.



Phiroshaw Camay

"I want to stress that what we do is in response to the needs as expressed by our South African trade union friends," ICFTU Gen.-Sec. John Vanderveken told reporters. "It is not a program that we dream up for them. It is worked out with them."

A delegation of top leaders of the South African black unions took part in the ICFTU meeting. It included Camay and President Chris Dlamini of the Federation of South African Trade Unions (FOSATU). CUSA and FOSATU are the two largest groupings in the independent black union movement.

## Growing awareness

As apartheid continues to grip their nation, the black trade unions are rapidly expanding and have become more articulate in their demands. Black membership has grown 800 percent since 1980.

"They are claiming the application of fair labor standards generally, and have made significant gains," Director-Gen. Francis Blanchard of the International Labor Office pointed out in an address to the ICFTU board.

The large-scale work stoppages in the Transvaal area last November and other demonstrations since then reflect the growing impatience of blacks with the government's refusal to abandon its apartheid policies.

The ICFTU board noted in a report on South African labor developments that in spite of these achievements union membership still only represents 15 percent of the workforce of the country, estimated at 10.3 million.

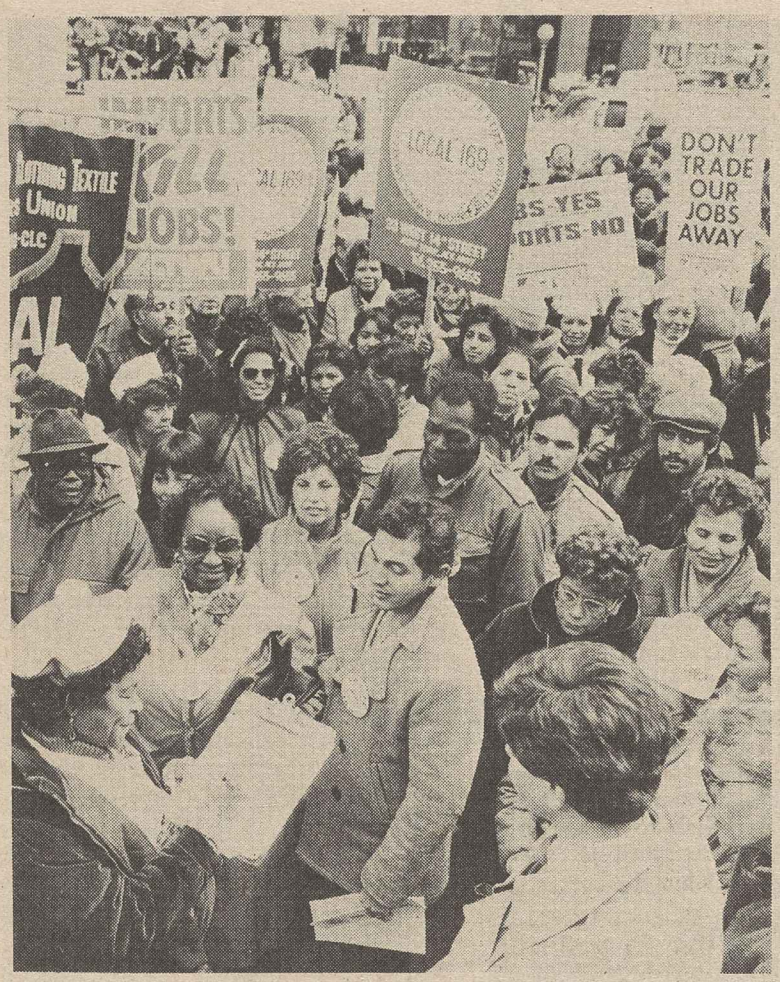
Union membership in 1983 was estimated at 1.5 million, with blacks numbering 671,194, or 43.4 percent of the total.

At the same time that the independent black trade union movement is growing so rapidly, it has become a major target for repression by the authorities. Last year more than 250 persons were killed by security police and thousands injured, the report noted. Virtually the entire leadership of the South African Workers Unions is in jail facing treason charges, together with the whole leadership of the United Democratic Front.

Yet, despite setbacks, the independent black trade union movement has done more to generate international awareness of the true nature of apartheid than any other single group in the country.

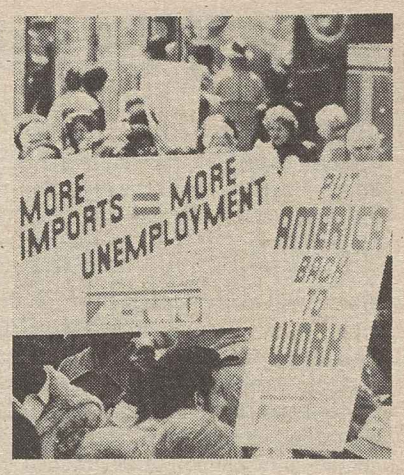
The ICFTU leaders see the continued progress of the independent black labor movement as the only truly positive development in South Africa.

"As the unions are daily becoming more professional, dynamic, with a remarkable maturity and confidence in handling negotiations and disputes, through their successes they are looked upon by the black people of South Africa as the only hope for peaceful change," Vanderveken said.










# To save America's jobs

Thousands of garment and textile workers turned out for a noon rally in New York's Herald Square as part of a nationwide protest against the flood of imports that has wiped out nearly one-quarter of a million jobs. The Apr. 10 rally organized by the Ladies' Garment Workers and the Clothing & Textile Workers was one of 50 demonstrations held across the country.

In New York, the protestors were joined by Gov. Mario Cuomo, Mayor Edward I. Koch, members of Congress and employers supporting the campaign to curb imports.

Active members joined retirees in remembering the hundreds of shops closed by imports and substandard foreign wages. Some workers dressed in barrels to symbolize the plight of the apparel and textile industries and their employees.

The rallies launched a petition drive to obtain one million signatures nationwide, 125,000 in New York City alone, calling for legislation to preserve American jobs and industry.

## Steel union plans to continue fight for 'Dorothy Six'

Pittsburgh — The Steelworkers are still convinced there's a future for "Dorothy Six," the U.S. Steel Corp. blast furnace in Duquesne, Pa., that once was the nation's most productive.

A study the union commissioned, with cost-sharing help from the city of Pittsburgh, Allegheny County and the Duquesne Light Co., pointed to profitability through modernization. That option would both preserve jobs and stave off a new influx of imported semi-finished steel.

U.S. Steel management had refused to take part in the study, and company chairman David M. Roderick rejected the report's conclusions. Costs would be too high, he contended, and the company was "not Santa Claus."

The Steelworkers have commissioned a financial study to identify prospective buyers and investors for the Duquesne plant and a marketing survey to respond to U.S. Steel's dismissal of the earlier study.

Once again, the union urged U.S. Steel to join in the worker and community efforts to find a way to get the plant back into operation. Dorothy Six has been shut down since May 1984 and is scheduled for demolition sometime after June 1.

The union said it will go to court if necessary to seek to block destruction of the works and the "irreversible" damage to the region that would result.

Destruction of the Dorothy Six would mean replacing nearly one million tons of semi-finished steel that could be produced each year with imports, the USWA said.

## A.C. Skinner dies at 76, headed Mine, Mill union

Tucson, Ariz.—Albert C. Skinner, president of the Mine, Mill & Smelter Workers when the union merged with the Steelworkers in 1967, died of cancer at St. Mary's Hospital here. He was 76.

Skinner began his union career in 1937 at the Libby-Owens-Ford Glass Co. in Toledo, Ohio, where he led a successful sit-down strike and became shop steward. He rose through the union ranks and was elected president in 1963. On the union's merger with the Steelworkers, he was appointed assistant to the USWA president. Skinner retired in 1976.

He played a major role in organizing the Non-Ferrous Conference in 1968, which established coordinated bargaining for the 30 unions in the copper industry. Skinner also worked to abolish the copper industry's dual wage system, under which minority workers were paid less than white workers.

# *Business unleashes lobbying blitz to pass Reagan's budget plan intact*

Business lobbyists are flexing political muscle in support of the Reagan budget, which combined deep cuts in domestic programs and reduced social security payments with an after-inflation rise in military spending.

Lobbyists for more than 50 national business and industry organizations met with White House budget chief David Stockman at a meeting arranged by the U.S. Chamber of Commerce, the Wall Street Journal reported. The self-described "100 percenters," who pledged unconditional no-amendment support for the budget, included representatives of the National Association of Manufacturers, the Business Roundtable, the American Business Conference and a wide spectrum of trade associations that have been heavy contributors to political campaigns.

Their avowed goal is to hold a Senate majority to vote down any change in the budget package agreed to by the White House and key Republicans—and then, somehow, repeat the process in the Democratic-held House.

A comparable effort may be tried in support of the Administration's attempt to put through what the White House still insists will be a revenue-neutral tax reform package.

Ironically, Reagan described the proposal now being put into final shape as a bold initiative in loophole-closing that would likely be fought by business interests.

### High-powered army

"It probably won't please Washington's army of high-powered lobbyists," the President said in his weekly radio broadcast.

As originally drafted by the Treasury Dept., the tax simplification package clearly would not have pleased many of the business lobbyists. It would have closed a number of corporate tax loopholes—a step that might have led to substantial business opposition.

But Reagan noted in his radio broadcast that he would like to "reduce corporate rates, too." While he was concerned with "fairness" in the tax system, the President said, "we must not jeopardize economic growth."

It appears now that the corporate sector will be more friendly to the Administration's tax package than once appeared likely. Again, a Wall Street Journal news analysis suggested the reason.

"The Administration's revised plan probably won't be as generous to the bulk of middle-income taxpayers as the Treasury proposal released last November," the news analysis concludes. It said that complaints from corporations and fears of hampering economic growth have persuaded Treasury Sec. Baker to switch less of the burden to corporations.

Last November, when the Treasury unveiled its draft plan, the AFL-CIO objected strongly to proposals to make workers pay taxes on the value of health insurance and other job-related benefits. But the federation saw as a plus provisions that would at least partly close some of the more notorious corporate loopholes.

AFL-CIO Research Director Rudy Oswald warned at the time, however, that in this Administration any changes made by the White House before sending the tax plan to Congress would most likely tilt toward restoring corporate loopholes.

# Staff cuts would hobble social security

An Administration plan to eliminate 17,000 employees and close 300 to 600 social security offices was assailed as "outrageous" by William J. Driver, a former Social Security Administration commissioner.

Driver testified for the Save Our Security coalition at hearings before a House Ways & Means subcommittee.

"The quality of service in the Social Security Administration has suffered steady deterioration for over 10 years due to budget actions," Driver said. "But no proposal that any Administration has ever made is as outrageous as these."

"This is not a business plan to improve the administration of programs or the delivery of service," he said. "It is an act of cash accounting, without regard for the consequences which these savage cutbacks in service will have on the public."

Driver said the Social Security workforce has been cut by 7,000 since 1977 and, as a consequence, "quality public service has been repeatedly curtailed and adversely affected."

He cited as an example a General Accounting Office study which found that, between 1977 and 1981, nearly 19 percent or one out of every five beneficiaries had administratively caused payment errors.

"Less staff and fewer offices can only worsen these problems and add to the deterioration of service and public confidence in the Social Security Administration," Driver said.

The Social Security Administration cutback plan was not based on any "systematic and professional study," Driver said, but originated in the President's Private Sector Survey on Cost Control, known as the "Grace Commission," and was then referred by President Reagan to the Office of Management & Budget to implement.

### Flawed study

Driver charged the Grace Commission recommendations were "flawed" and "incredibly unprofessional." The commission based its conclusions on a "handful" of interviews, "a few random observations" and false assumptions, he said.

"No management, whether private or public, determines its workforce by such simplistic formulas," Driver said. "Again the performance and the needs and demands for service suggest that, rather than cutting personnel, personnel should be increased." There was testimony from others.

Gayla Reiter, an officer of the Government Employees union representing San Francisco region social security field offices, confirmed problems caused by lack of staff. In some offices, she said, sacks of mail go unprocessed, "filing cabinets full of unworked overpayments and waiver requests, many of them over a year old," are unprocessed, and clients sometimes have to wait three or four hours for service.

Reiter predicted that "the hue and cry will be deafening as the Administration moves to implement its planned closures" because such problems will increase.

Martha A. McSteen, acting SSA commissioner, told the panel that staff cuts can be achieved without affecting services because of increased computer use and better systems design.

However, Joseph L. Delfico of the General Accounting Office said, "Whether SSA can achieve a 21 percent cut in staff without any adverse impact on service to the public is not known."

## Harold Rigley dies, retired Utility Workers official

Jamesburg, N.J.—Harold T. Rigley, retired president of the Utility Workers, died Feb. 19 of heart failure. He was 71.

Rigley was one of the founders of the UWUA. While employed by Consolidated Edison in New York City, he was elected chief job steward of UWUA Local 1-2 and later served secretary-treasurer and then president of the local.

He served as the head of the national union from 1972 until his retirement in 1979.

## OSHA policy denounced

# Field workers refused basic sanitation, water

By Arlee C. Green

The Occupational Safety & Health Administration is under fire from labor, Congress and even its own staff specialists for refusing to set a field sanitation standard that would require employers to provide toilets and clean water for farm workers.

OSHA's abandonment of the proposed regulation leaves agribusiness the only sector of the economy where workers are not legally provided basic sanitation needs.

Farm Workers President Cesar Chavez said of the decision, "The American people would be ashamed, even if the Reagan Administration is not, at the perilous sanitation conditions that farm workers endure."

"We are not surprised that acting OSHA Director Robert Rowland is a substantial stockholder in Tenneco, Inc., which is the parent corporation for Tenneco West—a giant California agribusiness firm that has been found guilty of illegally firing field workers who complained about unsanitary working conditions and wages."

In 1982, the California Agricultural Labor Relations Board, Chavez said, convicted Tenneco West of firing 25 UFWA members who complained about these conditions.

"To this day, Tenneco West—Rowland's company—still refuses to bargain in good faith, even though its field workers voted to be represented by the UFWA in 1976," Chavez said.

### Mean-spirited

AFL-CIO Industrial Hygienist Margaret Seminario charged that OSHA's decision not to provide these workers with a level of dignity that is afforded all other workers in the nation, only further demonstrates the "mean-spiritedness" of the Reagan Administration.

She noted that besides the obvious complications arising from a lack of toilet facilities, the lack of water for hand washing and for drinking will continue to expose these workers to the risks of heat stroke, parasitic infections, and exposure to the various pesticides used in the fields.

A five-member OSHA field sanitation team protested the agency's action, stressing in a letter to Rowland that "the record will not support" a determination that no standard be issued.

The five specialists pointed out they had nursed the proposed standard through from its inception and "we are, in short, your professional experts in field sanitation."

But their expert opinion mattered little in the final outcome as OSHA set forth its reasons for killing the overdue protections for some 500,000 farm workers.

### Court battles

The battle for the field sanitation standard spans a dozen years in the courts.

U.S. District Court for the District of Columbia twice ordered OSHA to produce a standard, only to be overridden by the appelate court. A 1982 court agreement required that OSHA complete a standard by February 1985, or state why it could not. But in February, OSHA got the court to push back the deadline two more months.

Rowland ignored the recommendations of two special consultants OSHA hired to analyze the hearing records on field sanitation. They found that the lack of toilets, drinking and washing water for farm workers makes them 20 times more likely to suffer from parasites, 11 times more likely to suffer from gastro-intestinal diseases and 331 times more likely to contract viral hepatitis than the general public.

They also found the farm workers often carry diseases that are common in lesser-developed countries, but which have been eradicated from the U.S. years ago.

Rep. Bill Richardson (D-N.M.), head of the Congressional Hispanic Caucus, called OSHA's refusal to issue a standard "an outrage" and a "national disgrace."

Charles Horwitz, an attorney with the Migrant Legal Action Program, noted the irony of the Reagan Administration courting the Hispanic vote prior to last year's election, and now refusing to set a basic standard to provide for human dignity. He said about 55 percent of the nation's farm workers are Hispanic.

## Rowland's investment ties queried

The head of the Occupational Safety & Health Administration has participated in regulatory decisions affecting companies in which he owns stock, and House Education & Labor Committee Chairman Augustus F. Hawkins (D-Calif.) has asked for an inquiry into whether a conflict of interest exists.

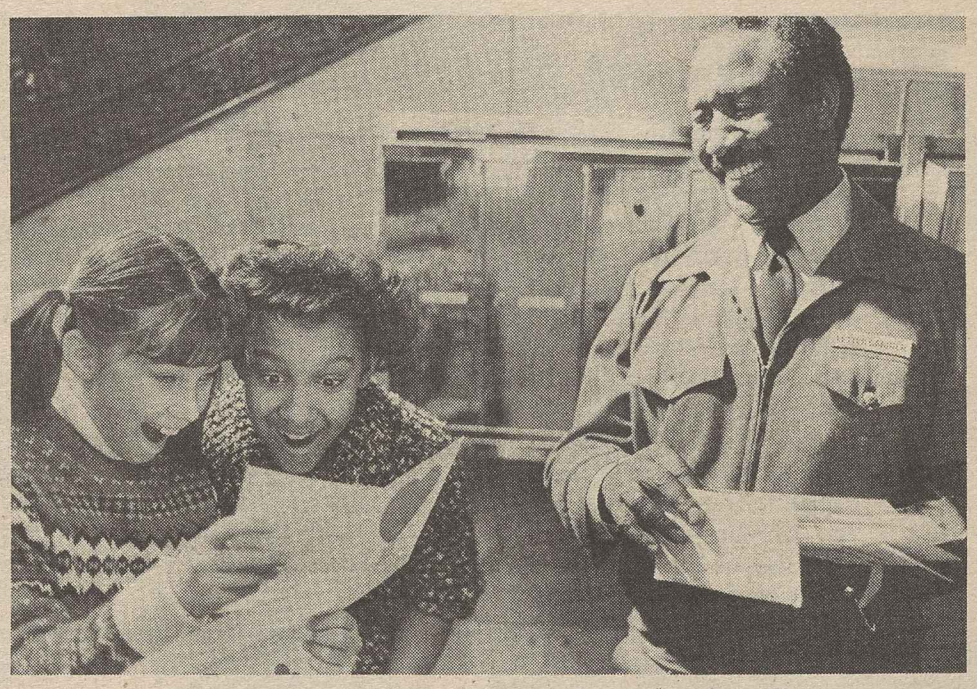
Robert A. Rowland, who has been serving as OSHA administrator since last fall, has substantial investments in several companies that could be affected by OSHA decisions, including such firms as the Manville Corp., which makes asbestos products, and the Monsanto Co., a major chemical manufacturer.

He also owns stock in Tenneco, which has subsidiaries in agriculture production presumably effected by OSHA's controversial decision not to require sanitation facilities for farm workers.

Rowland told reporters that he did not sell his stock holdings when he took the OSHA appointment because "it would have been a foolish thing to do." His holdings are in a blind trust, in which he does not control the buying and selling decisions.

Rowland said a waiver issued by former Labor Sec. Raymond Donovan exempts him from a strict requirement of non-involvement in decisions affecting companies in which he has invested. The waiver lets him make broad policy determinations, he said, but not involve himself in regulatory decisions directly affecting his holdings.

Hawkins said he asked the Comptroller General, Charles A. Bowsher, to look into "various allegations" regarding possible instances when the conflict of interest could have been violated.



## Carry on

"Headin' out across America, spreading the word near and far" is the message of the Letter Carriers' new national television campaign. The TV spots will air this month in Washington and later this year in other parts of the country. The ads feature NALC members at work "daring the weather, everyplace, delivering for America."



# *Slowdown in GNP growth signals weakening economy*

Signs of growing economic weakness emerged amid a mixed batch of government reports and private surveys, calling into question how long the spotty recovery from the Reagan Recession may last.

The clearest sign of weakness was the sluggish 1.3-percent annual rate of growth in economic output reported by the Commerce Dept. for the January-March quarter. That was the slowest quarterly gain since the end of the 1982 recession.

The rate of increase in the nation's real, or inflation-adjusted, gross national product compared with a rise of 4.3 percent in the fourth quarter of last year. Economists say sustained growth of about 4 percent is considered necessary to keep unemployment from getting worse.

The Commerce Dept. report on real GNP also showed that inflation, as measured by what it calls its "implicit price deflator," hit an annual rate of 5.3 percent, up from 2.8 percent at the end of 1984.

Other government statistics lent further doubts to the strength of the economy:

- The Federal Reserve Board reported a rise of only three-tenths of 1 percent in industrial production last month, and the Commerce Dept. said retail sales plunged 1.9 percent in March, the steepest drop in more than seven years.
- Consumer debt rose a record $10.37 billion in February, surpassing the old record increase of $9.09 billion set last May, the Federal Reserve Board said. The big February increase apparently reflected the 1.6-percent gain in retail sales during that month.

The installment debt could have been a factor in leading consumers to pull back on their spending in March.

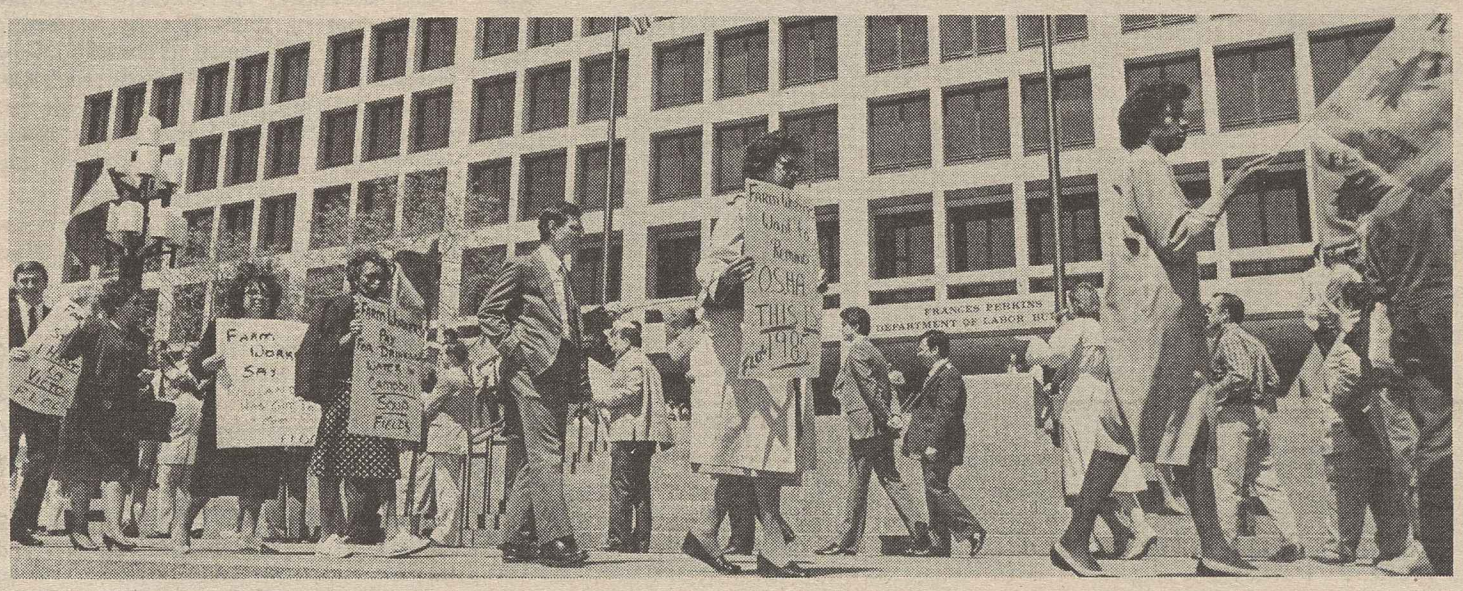
- The Labor Dept. said 13 states and Puerto Rico had higher unemployment rates in February and nine states were experiencing double-digit joblessness.
- Factory capacity utilization last month remained the same as in February, 80.8 percent below the peak levels reached last summer. The Federal Reserve Board attributed the sluggish rate to the influx of foreign goods.
- Personal income rose a moderate five-tenths of 1 percent in March, but spendable income actually dropped by that much as a result of Internal Revenue Service delays in sending out tax refunds, the Commerce Dept. said.
- A Commerce Dept. survey of capital spending plans of U.S. businesses showed the gain this year will trail last year's by more than half. Business expansion and modernization in 1985 is expected to rise by 7.3 percent, compared to a 14.9-percent increase in capital spending last year.
- The Commerce Dept. said business inventories rose four-tenths of 1 percent in February, an indication that businesses are having trouble working down excess stockpiles, a problem that could translate into weak production and employment gains in coming months.

On the plus side, the Bureau of Labor Statistics said producer prices last month rose a slim two-tenths of 1 percent, indicating little inflation in the price of wholesale goods. And the Commerce Dept. reported a sharp 16.2-percent jump in housing sales in March.

The rise of only three-tenths of 1 percent in industrial output last month was a clear indication that the economy had entered a period of much slower growth. The March gain followed a decline of two-tenths of 1 percent in February.

The big March decline in retail sales was pervasive. The only increases were reported by hardware and garden supply stores and apparel outlets. The government said that auto sales last month dropped a sharp 4 percent while department store sales declined 2.3 percent.

States that still had double-digit jobless rates in February were West Virginia, 15.4 percent; Alabama, 10.9 percent; Alaska, 10.8 percent; Indiana, 10.9 percent; Louisiana, 11.6 percent; Michigan, 10.2 percent; Mississippi, 11.3 percent; Oregon, 11.3 percent, and Washington, 10.6 percent.




Labor Dept. employees—members of AFGE Local 12—join farm workers and supporters in protesting OSHA's refusal to issue field sanitation regulations. They called for OSHA Administrator Robert Rowland to resign.

# How about $700 an hour?

**The way the Big Three auto companies see it, American workers should show wage "restraint" to stay competitive with Japanese workers. But top executives need a stronger incentive.**

**Reports on 1984 compensation to the top auto executives show even higher rewards than the previous year, when huge bonuses drew strong criticism. General Motors Chairman Roger Smith got a $300,000 raise to $1.8 million; Ford Chairman Philip Caldwell added $200,000 to $1.6 million, and Chrysler Chairman Lee Iacocca got nearly $1.2 million—more than double his 1983 salary. At that level, their average pay works out to well over $700 an hour, not including fringe benefits.**

**Auto Workers President Owen Bieber said if the U.S. executives really want to emulate their Japanese counterparts, they might consider that in Japan a chief executive's salary is much closer to that of production workers. Corporate greed, he suggested, is "incredibly short-sighted" and "way out of line with the message being sent to workers and the public on the need to become more competitive."**

# Federal court's injunction reinstates union supporter

Birmingham, Ala. — A federal judge has ordered immediate reinstatement of a supporter of the Auto Workers who was fired during an organizing drive, ruling that injunctive relief was necessary to "restore the status quo," and to signal the workers that company retaliations will not continue.

Judge E. B. Haltom, Jr., of the U.S. District Court for Northern Alabama, held that actions of Ona Corp., a manufacturer of gasoline and diesel engines and generators, was a flagrant violation of labor law.

The request for injunctive relief was brought by the National Labor Relations Board regional administrator on behalf of the UAW and Roger Armstrong, who was fired by Ona last June.

The UAW has been trying to organize the 700 workers at the Ona Corp. plant in Huntsville, Ala., since 1979. Judge Haltom's decision held that the firing of Armstrong was for "the deliberate purpose of stamping out union support among (Ona Corp.) employees."

The court noted that Ona Corp. was the subject of an NLRB order in May 1982, in which the company was found to have committed 59 unfair labor practices over a 10-week period prior to a representative election held on June 22, 1979. Seventeen company officials were found to have engaged in the employer's unlawful, anti-union campaign.

The NLRB set aside the election results and ordered the firm to begin bargaining with the UAW. A renewed UAW membership drive in the plant resulted in additional unfair labor practice charges of refusing to bargain and of maintaining personnel documents identifying a worker as a "union pusher." The NLRB affirmed the unfair charges.

Then in 1983, an administrative law judge found that the firm has "initiated, sponsored, formed, assisted and dominated an employee labor organization at the plant" in violation of labor law. That decision is on appeal to the NLRB.

The incident that led to the district court judge's interim relief order was the firing of Armstrong, the worker who had been identified as a "union pusher." Armstrong, an eight-year employee of the firm, had been promoted while with the company, and given several raises based on merit. Armstrong also had served as a union observer in NLRB-conducted elections, openly sported union shirts and hats, had solicited authorization and membership cards, and testified against Ona in unfair labor practice proceedings.

He was fired for "insubordination."

### Actions vs. words

Judge Haltom noted that "the company's action in discharging the union's most vocal supporter in open defiance of the court's order 'speaks louder' than any notice that the employer may post. . . . The employees at Ona have undoubtedly taken this discharge of the union's inside linchpin as a warning that if they choose to support and deal with the union, as has Armstrong, they risk severe company retaliation."

In ordering the reinstatement, the court said, "the revival of UAW's organizing campaign at Ona . . . will be virtually impossible unless (Ona's) employees are given an affirmative signal that further union activity will not cause the kind of company retaliation that has occurred in the past."

# Sheet Metal union aids retirees with 'inflation' checks

Some 14,000 retired members of the Sheet Metal Workers will be receiving an extra pension check each year to help offset inflation.

The program and a companion measure to cover costs not paid by Medicare were announced by Sheet Metal Workers President Edward J. Carlough at a news conference with Rep. Claude Pepper (D-Fla.), a leader in the congressional battle against the Administration proposal to cut back the social security cost-of-living adjustment.

Carlough said the increase for retirees covered by the union's National Pension Fund will be financed by a five-cent-an-hour contribution that local unions have negotiated with their employers. The benefits, based on a formula which takes into account the number of years a pensioner has been retired, will be paid each year in a lump sum "13th check" in addition to the regular monthly payments.

The voluntary Medicare supplement program, covering retirees and their spouses, will be underwritten by the pension funds. Participants will pay a portion of the costs, at a rate of $13 a month for an individual or $26 for a couple.

Pepper congratulated the union on its program and pledged to continue the fight to protect social security cost-of-living adjustments for all retirees, "most of whom do not have this kind of help available."




Retiree Henry Smith, left, with Rep. Claude Pepper (D-Fla.) and Sheet Metal Workers President Edward J. Carlough.

# *Import quotas termed essential for survival of U.S. shoe industry*

The import-battered American shoe industry needs a five-year period of "global quotas" to reduce the flood of foreign footwear to about 55 percent of the U.S. market, unions, employers and members of Congress told the International Trade Commission.

"We are asking for sensible controls on import levels that have gone berserk," President Murray H. Finley of the Clothing & Textile Workers testified. "With five years of quotas, this industry will be able to complete a sound program of modernization and become more competitive."

Finley noted in reference to his appearance before the commission a year ago, "I am beginning to think it is a rite of spring" to bring the plight of the U.S. shoe industry before the commission. Last year, the ITC decided industry didn't need import relief because the surviving shoe plants were still making a profit even though imports claimed 63 percent of the U.S. market. Today, shoe imports have taken over more than 70 percent of the market.

### Workers' plight

The ACTWU president asked the commissioners what workers whose firms have gone out of business should be told. "Workers saw more than 100 factories close their doors on them in 1984 alone," he said, stressing that the wage and employment trends, both last year and now, unequivocally support a finding of serious injury.

"Decent and hard-working people should not have to see their jobs systematically shipped overseas to countries that don't have the slightest intention of practicing free trade principles," Finley said. When shoe workers are laid off, he said, "their prospects are extremely poor for finding new jobs," as their skills are not easily transferable.

"Without effective import relief and without modernization and improved productivity, there is very little hope for any jobs for U.S. shoe workers at all," Finley stressed.

The quota system proposed by the coalition would generate some 37,000 direct jobs and 23,000 related jobs—a 33 percent increase over current direct employment levels.

### May decision

The ITC will determine in mid-May whether the shoe industry has been injured by imports and forward its recommendations to President Reagan on July 1. The President then has 60 days to act on the matter.

Sen. William S. Cohen (R-Me.), whose state has been hard hit by shoe plant closings, noted that last year two shoe plants each week closed their doors, throwing thousands of workers out of their jobs.

Cohen, his Democratic colleague from Maine, George D. Mitchell, and 15 other senators recently introduced the American Footwear Industry Recovery Act of 1985. An identical measure was introduced in the House, sponsored by Olympia J. Snowe (R-Me.) and 48 other House members. That measure calls for eight years of quotas, limiting imports to just 50 percent of the U.S. market.

Snowe said that Maine is the largest shoe producing state in the nation, but given the conditions that exist today, "the honor is becoming a little like being shuffleboard champion on board the Titantic."

### Trade imbalance

She stressed that while the U.S. market lays wide open for the taking, foreign markets remain closed to U.S. footwear. "Japan limits footwear imports to 1 million pairs annually, a figure that can be only described as ridiculous when the U.S. imports an average of 2 million pairs every day."

The entire Maine congressional delegation urged the ITC to rule that the domestic shoe industry has been injured and to support quotas proposed by the Footwear Trade Action Coalition, comprised of ACTWU, Food & Commercial Workers and the Footwear Industries of America.

The coalition called on the ITC to limit imports to 55.2 percent of the domestic market. It also suggested using the 1981-82 period as the "quota floor" level, thereby limiting imports to roughly 427 million pairs of shoes annually, with the quota levels adjusted quarterly to hold market shares at the proposed levels.

### Industry plan

FIA President George Langstaff told the panel the industry is ready with a five-year plan of action to improve its manufacturing technology and increase productivity so that it will be competitive with the low-wage exporting countries, such as Korea, Hong Kong, Taiwan, Singapore and Brazil.

Also testifying in favor of the quotas were Jeanne Hebert and Barry Huff, officials of the Shoe Workers Association of Maine. Hebert told about the closing of the plant where she worked in Livermore Falls. Over the past two years, she said, "We have been joined by 5,700 shoe workers in Maine and 25,000 more in 37 other states" who have lost their jobs to imports.

She stressed that the town's unemployment rate is still more than 20 percent, and other employers that depended on the shoe workers as consumers are feeling the effects of the job losses. Besides the economic effect, there has been a human effect on the town as the dropout rate at the high school doubled, and child abuse, alcoholism and crime have all increased.

Representatives of the Federal Trade Commission, testifying before the ITC, voiced strong opposition to quotas and instead favored temporary trade adjustment assistance for workers who are thrown out of their jobs by increasing imports. The FTC based its concern on the availability of "cheap" shoes for low-income consumers. The quota system recommended by the FIA provides for maintaining the 1985 level on low-cost imported shoes.

# Harry Garduk dies, veteran labor writer

Bethesda, Md.—Harry D. Garduk, a veteran labor journalist, died of cancer Apr. 15 at the age of 74. He had retired from full-time newspaper work in 1976 after 10 years on the staff of Labor, the newspaper of the railroad unions.

Garduk was a native of Chicago and worked as a reporter and editor on a number of leading newspapers. He was an early member of the Newspaper Guild. Survivors include his wife, Dr. Edith L. Garduk.

# EDITORIALS

## Demolition Derby

AMERICAN CRAFTSMEN and production workers are the best in the world. But they can't beat foreign competition as long as their own government and their own employers are stacking the cards by exporting their jobs and importing all the things they used to make.

In recent weeks there have been signs that even some of President Reagan's most faithful disciples are beginning to doubt the wisdom of trashing our country's productive capacity, wiping out the jobs of millions of Americans and the economies of hundreds of communities and entrusting our daily needs and our future to foreign suppliers and foreign moneylenders.

We can hardly blame the Japanese for sending more cars than our market can sustain without grave injury. The fault is here; the enemy is among us. Common sense should tell us that the guilt lies more with those who threw open the gates rather than those who accepted the invitation.

America's place in the world is not endangered solely by unfair foreign competition, but equally by American mismanagement, furthered by the Administration's disregard for the antitrust laws and its dogmatic conviction that chaos is better than regulation.

Wave after wave of corporate raids and takeovers, which amount to open, unpunished extortion, are draining the substance of business and industry.

Any pirate who gets the backing of a few banks makes a pass at a company. That company, in turn, takes defensive measures that involve running up the price of its stock, setting up "golden parachutes" for its executives, swallowing something called a "poison pill" and preparing to scorch its own earth, all designed to make what's left of the company an unattractive proposition.

WHEN THE DUST settles, the pirate walks away with 50 or 80 or 100 million dollars, leaving a weaker, poorer company behind, or, if he gains control, he closes plants, fires workers and deals off divisions to pay for the cost of his adventure.

All this takes place with no redeeming social value, without producing a dollar's worth of goods or services. Workers, stockholders and the public at large pay the freight. Nobody is better off except the takeover artist, the lawyers and investment bankers who share in the millions that are skimmed from corporate treasuries and stockholder equities, and stock speculators who know when to get in and out, fast.

Instead of going to jail or being held up to public shame, these highly professional extortionists are offered up by television and magazine interviewers as proper objects of respect, admiration and envy.

But nobody seems to care. Those who most piously warn us against the dangers of protectionism, and who exhort American workers to work harder to overcome foreign competition, seem to have nothing but applause for the highbinders who steer productive American enterprises in a wild demolition derby.

*—From an address by AFL-CIO President Lane Kirkland to the legislative conference of the Building & Construction Trades Dept., Apr. 15, 1985.*

## Crime in the Fields

IF THE PUNISHMENT could fit the crime, OSHA Administrator Robert Rowland would spend many a hot workday in a pesticide-sprayed field far from the nearest toilet or source of soap and water.

Then, just possibly, he might have second thoughts about his callous refusal to issue a standard that would require large farm employers to provide the most basic sanitary facilities for field workers.

OSHA's professional staff strongly urged such a standard, citing the spread of diseases linked to poor sanitation. Five staff experts, ordered to prepare a justification for OSHA's refusal to issue a standard, protested that such a position "can only bring discredit to the agency and ourselves."

In light of Rowland's decision, it is clear where the discredit falls.




**Washington Window**

# Switch on social security mocks Reagan's promises

**By Press Associates, Inc.**

Like a moth circling a flame, Ronald Reagan cannot leave social security alone. He gets burned again and again. Still he comes back.

Reagan's latest attack on social security came in a proposal to reduce the cost-of-living increase in pension benefits and cut back Medicare. Donald Regan, his chief of staff, said he made the deal with Senate Republican leaders "on behalf of the President."

Critics were quick to quote Reagan's election-year pledges to keep his hands off social security:

- Reagan said, during the debate with Walter Mondale last Oct. 7 in Louisville: "With regard to social security . . . I will say this—a President should never say 'never' but I'm going to violate that rule and say, 'Never.' I will never stand for a reduction of the social security benefits for the people that are now getting them."
- Reagan, on a visit to Wesley Park Senior Center in Milwaukee last Nov. 3: "There is no secret plan to do anything about depriving people who are dependent on social security, and there never will be as far as I have anything to say about it."
- Reagan, in an interview with the right-wing "Human Events" magazine last December: "Well, I have to say my pledge during the campaign carried with it the clear implication that present social security beneficiaries would get their cost-of-living increases as well. I made that pledge and so, therefore, I feel bound by it."

### Runaway deficit

But by January, the runaway federal deficit took center stage on Capitol Hill. Because Reagan is holding off on tax increases as a last resort, the White House-GOP strategy was to focus initially on budget cuts, including social security.

Reagan tried to put the monkey on the back of Congress by telling a news conference on Jan. 9: "Up on the Hill there was a widespread feeling about freezing the COLAs and social security. . . . I would have to look at that situation and what I was faced with, with regard to a possible congressional mandate."

But congressional Democrats wisely stayed away from that trap. What emerged was not a mandate from Capitol Hill but rather a cleverly contrived plan by Reagan and Senate GOP leaders to palm off a reduction in social security and other federal benefit COLAs as an increase.

The hard reality, according to an analysis by the nonpartisan Congressional Budget Office, is that Reagan's proposed 2 percent hike in benefit COLAs would fail to keep up with inflation and push 650,000 people below the poverty line.

### Three years of cuts

The Administration claims it needs the $20.8 billion in social security cuts over the next three years as part of its deficit-reduction package.

This contradicts what Reagan has said time and again: "Social security is not part of the deficit problem. It is totally financed by a payroll tax, and that tax is dedicated to that one program."

Social security has been a political football ever since it was made part of the unified budget in 1969.

The Reagan approach is consistent with his career opposition to government programs. For a quarter-century, he favored making social security voluntary. The program was steadily improved over the decades until Reagan was elected. In 1981, the salami tactics began with elimination of minimum benefits, lump-sum death benefits, and college student benefits. The cruel campaign to remove alleged disability "cheats" followed.

Social security was one of President Franklin D. Roosevelt's proudest achievements. FDR said payroll tax financing was deliberately put in "to give the contributors a legal, moral and political right to collect their pensions and their unemployment benefits. With those taxes in there, no damn politician can ever scrap my social security program." April marked the 40th anniversary of FDR's death and, in his memory, it is time to fight once again.

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# MEMO FROM COPE

## Public View of PACs—Mixed Bag

How does the public feel about political action committees (PACs) and their influence on elections? One poll measured the reaction of California voters, and it was close to a stand-off, with 36 percent thinking PACs over-all have a positive influence on the political process, 42 percent negative, 22 percent no opinion.

Asked about PACs representing specific groups, voters gave highest backing to environmental and consumer organizations, lowest ranking to real estate interests and large corporations, bankers and lawyers.

Union PACs were rated 11th in a list of 17 different types of PACs with 36 percent of voters feeling union PACs are a good influence on the process, 47 percent calling them a bad influence, and 17 percent with no opinion.

Four out of five polled said they favor limitations on use of PAC funds, including an upper limit on the amount PACs can give to a candidate and a lid on amounts a candidate may accept from PACs in aggregate.

Following is the public judgment of the influence, good or bad, of various types of PAC.

| | Good | Bad | No Opinion |
|---|---|---|---|
| Environmental groups | 63% | 19% | 18% |
| Consumer groups | 63 | 20 | 17 |
| Teachers organizations | 58 | 23 | 19 |
| Women's political groups | 58 | 24 | 18 |
| Groups that favor farm workers | 50 | 28 | 22 |
| Groups favoring farm interests | 46 | 35 | 19 |
| State employee organizations | 44 | 35 | 21 |
| Nuclear freeze organizations | 44 | 39 | 17 |
| Doctors and dentists | 39 | 40 | 21 |
| Politically conservative groups | 36 | 41 | 23 |
| Labor unions | 36 | 47 | 17 |
| Religious groups | 30 | 48 | 22 |
| Politically liberal interest groups | 29 | 45 | 26 |
| Trial lawyers | 23 | 50 | 27 |
| Bankers and insurance interests | 23 | 56 | 21 |
| Large companies | 22 | 54 | 24 |
| Real estate interests | 17 | 63 | 20 |

## Odds 'n Ends

**REAGAN MISLEADS** public when he says higher education cuts will affect only middle class students, American Association of State Colleges and Universities charges. Group claims 250,000 students from poor families would lose an average of $1,160 in grants and loans. In all, AASCU says, a half-million students from families with income below $25,000 would lose some aid as a result of Reagan proposals—105,000 of these from minorities groups.

**BLACK CONSERVATIVES** form political action committee, BLACK PAC, chaired by William Keyes who campaigned in North Carolina for Sen. Jesse Helms' re-election last year. Among founding members of the BLACK PAC advisory board: GOP Sens. Jeremiah Denton (Ala.), John East (N.C.), Orrin Hatch (Utah), and Reps. Jack Kemp (N.Y.), Newt Gingrich (Ga.), Phil Crane (Ill.).

**GOP NATIONAL COMMITTEE** announces more than 920,000 individuals made contributions to party during 1984 for a total of $62 million. Average donor gave $37.50. GOP claims cost of its fund-raising runs 22 percent of take, which is very efficient.

**GOOD ADVICE,** by the way, from GOP finance directors for political fund-raisers and spenders that's self-evident but too often forgotten. On debt, GOP says, you get into it when (1) you spend too much, (2) you don't raise enough, (3) you don't consult with experts, (4) you borrow. You get out of it when (1) you raise more money, (2) you spend less, (3) you don't borrow.

**ONE MORE WORD** from GOP on how much political money to ask for. "Ask a lot of people for a little money, or a few people for a lot of money. Better yet, ask a *lot* of people for a *lot* of money."

**REAL TAX BREAKS** in Reagan 1981 proposals went to corporations, study by Citizens for Tax Justice shows. Investment tax credits (you buy a machine and your tax liability is cut 10 percent of its cost) and accelerated write-offs will short Treasury nearly $400 billion in next five years, study reveals. Put them together with other corporate loopholes and the cost of these Reagan giveaways every year exceeds every federal program except defense, and is greater than outlays for all federal programs for the needy.

**GOING FURTHER,** tax study says seven major oil firms will by 1990 save $35 billion in federal taxes thanks to Reagan. And Reagan's old boss, General Electric, not only didn't pay any tax *to* the government the past three years—despite $6.5 billion in domestic profits—it actually got $283 million *from* the government. Then, there are 129 major U.S. firms that among them rolled up profits of $45 billion in 1983 and paid only four-tenths of one percent in taxes.

**ANOTHER STUDY,** this one by a congressional committee, turns up the news that some industries at-large pay hardly any tax—telecommunications firms two percent; railroads four percent. Chemicals, insurance, aerospace, and large banks—like GE—got refunds.

**BUT DON'T WORRY,** *someone's* paying taxes so the nation can function. And guess who *that* is. You. The average American wage earner coughed up 12 percent of his/her income to Internal Revenue—without any tax dodges, investment credits, or accelerated write-offs.

**NOT SO THE RICH,** however, who duck $24 billion in taxes a year by writing off investments in losing ventures in oil, cattle, real estate and in such exotica—can you believe it?—as llamas, oysters and treasure hunts. As a result of tax shelters like these and others, the Treasury estimates some 9,000 Americans earning more than $250,000 a year pay *nothing* in taxes.

### Getting One Back

*Republicans have been chortling over the recent party shift from Democrat to GOP of former UN Ambassador Jeane Kirkpatrick, and before that of Rep. (now Sen.) Phil Gramm of Texas and a couple of other Boll Weevil Democratic House members.*

*Now, the Democrats get a chance. A member of the Nebraska legislature, James Pappas, switched his allegiance from the GOP. (Nebraska has a one-house legislature and candidates do not run as party members. However, they have party loyalties and usually vote that way.)*

*This might not seem like a big deal—two nationally known names for a complete unknown—but Pappas' change-over gives Democrats control of the state legislature.*

*And maybe there are a few future draft choices still to come.*

### Oh, That Gary Hart?

**Will Democratic Sen. Gary Hart run for governor of California?**

**It just might be that he will.**

**If so, you say, would someone please explain why a Senator from *Colorado* would run for governor of *California.***

**Well, who says he's from Colorado? In fact, this Sen. Gary Hart *isn't* from Colorado. He *is* from California. And he *isn't* a *U.S.* Senator, he *is* a *State* Senator.**

**And his name *is* Gary Hart. And he *is* a Democrat.**

**And he *is* looking into running for his party's gubernatorial nomination in 1986.**

**And if you like parlays, look at all the possibilities that open up: Simultaneously a Gary Hart Senator from Colorado and a Gary Hart governor of California; a few years hence a Colorado Gary Hart as President with a California Governor or Senator Gary Hart. And a few years after that, a California President Gary Hart succeeding a Colorado President Gary Hart.**

### Here's a Switch

## House Election Spending Dips

Spending in U.S. House elections in 1984 dipped substantially from the 1982 level—the first drop in campaign costs in memory.

Figures compiled by Common Cause from Federal Election Commission reports show spending by the 802 House candidates on the ballot November 6 was $165 million—down from $174.5 million in 1982, a 5.4 percent drop.

Though less was spent, a new high was reached in funds collected by House candidates. Even there, growth was only 7.3 percent compared to jumps in the range of 35-48 percent in recent election years. (Unspent funds hit a record $37.5 million, most of it held by incumbents.)

There are several possible reasons for reduced spending in House campaigns, though most observers remain uncertain of the precise cause(s) and it will take more scrutiny before anyone's sure. Among explanations advanced: Fewer open-seat races than usual, only 27 compared to 58 in 1982 (open-seat contests run up to 70 percent higher than average races in which an incumbent is involved); 64 candidates unopposed, reducing the need for large-scale spending; fewer marginal, closely contested races than in recent years.

Even though over-all costs declined, a record 24 districts showed combined outlays by major party candidates of $1 million or more, and 35 candidates—18 GOP, 17 Democratic—shelled out more than $600,000 each.

### One Vote Counts!

### Abstainers Recant

**It happened in the annual town meeting in Andover, Mass.**

**Citizens were asked to vote on permitting construction of a parking lot by a private firm on public land.**

**Debate was heated. When it ended, the pro-parking lot position won out—by just one vote, 257-256.**

**Nineteen citizens who were present abstained from voting.**

**Further discussion ensued. A second vote was demanded and held. The parking lot was defeated 271-261.**

**No matter how you feel about private parking lots on public land, the lesson is the same for all of us:**

**The act of *abstaining* affects the outcome of a lot of elections.**

**It counts for one to vote . . . and one vote counts.**

AFL-CIO news

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**LEGISLATIVE ALERT!**
PAGE 8



# Emergency action pressed on trade, overvalued dollar

**By David L. Perlman**

The AFL-CIO called for emergency measures to deal with a world trade and monetary imbalance that has put the brakes on the nation's economic recovery, forced up the cost of U.S. goods on the world market and wiped out the jobs of American workers.

Labor's proposals, advanced by AFL-CIO Research Director Rudy Oswald in testimony before the Senate Finance Committee, included:

- Convening of an international conference to negotiate a realignment of currencies to achieve a better balance in international trade. Overvaluation of the dollar is a major factor in the huge U.S. trade deficit.

- Imposition by the President of a temporary 15-percent tariff surcharge—a step that can be taken under existing law. Section 122 of the Trade Act of 1974 allows the President to impose such a surcharge for up to 150 days or to take other steps, including quotas, to deal with large U.S. balance of payments deficits.

"Such temporary actions could and should be used to help alleviate the present trade imbalance," Oswald stressed.

### Deficit rise

The AFL-CIO's documentation of the case for emergency action traced the parallel growth of the U.S. trade deficit and the exchange rate of the dollar in relation to other currencies. A high dollar value means that other countries have to pay more for American-made goods, thus hurting exports. And it means that imported goods can be sold at lower prices in the United States—or at a higher profit for merchants.

The merchandise trade deficit—which bears most directly on the loss of jobs—climbed from $25 billion in 1980 to $69 billion by 1983 and jumped to $123 billion last year. It's "still rising," Oswald noted.

Over the same period, the value of the dollar rose 58 percent above the average for 10 other major countries. As a result, "American costs needed to be 58 percent lower in 1984 than in 1980 in order to be at the same competitive position that they held just four years earlier," he said.

To offset that imbalance, Oswald said, "material, capital and labor costs would all need to be lowered 58 percent."

American workers would have to be 58 percent more productive—or take a 58 percent pay cut—and that doesn't make sense, Oswald noted.

Workers shouldn't have to take pay cuts—or suffer loss of their jobs—to offset the effects of the government's economic policies. It is the rise of the dollar's exchange rates, not any rise in workers' wages, that made U.S. goods less competitive, Oswald asserted.

The AFL-CIO testimony noted also that the overvalued dollar has encouraged U.S. companies to build plants overseas. And that in turn meant that more jobs went overseas—both in plant construction and permanently in manufacturing.

"The whole quagmire of misaligned exchange rates and abnormal trade imbalance

**Continued on Page 3**

## Birthday wishes



Senators should cut birthday cakes—not benefits as President Reagan is demanding—to mark the 50th anniversary of social security and the 20th anniversaries of Medicare and Medicaid, senior citizens urged as they delivered cakes to every member of the U.S. Senate. Addressing the Capitol Hill rally is President Jacob Clayman of the National Council of Senior Citizens. Former Cabinet member Arthur Flemming, seated, spoke on behalf of the Save Our Security coalition. The cakes, donated by the Bakery, Confectionery & Tobacco Workers, were baked by members of BC&T Local 118.

# *Brock nomination gets Senate panel's support*

William E. Brock will take office as Secretary of Labor with bipartisan good wishes and a realistic awareness of the problems he is inheriting.

He got both during confirmation hearings by the Senate Labor & Human Resources Committee. The unanimous endorsement reflected Brock's personal popularity in the Senate where he once served, and the questions reflected the concern of senators of both parties with the drift of the department he will head.

The Labor Dept. has been under caretaker administration since last October, when Raymond J. Donovan took a leave of absence after his indictment on criminal fraud charges.

When Donovan resigned in March, President Reagan tapped Brock, then the U.S. Trade Representative, to succeed him. Brock had been Republican national chairman after having served in both the House and Senate but his appointment was not seen as a partisan move.

Brock had won the respect of many who disagreed with him on specific issues, and AFL-CIO President Lane Kirkland expressed the hope that his appointment could achieve "a new and constructive relationship" between the trade union federation and the Labor Dept.

At the Senate hearings, the questioning of Brock was more in the nature of lobbying by senators on issues in which they had special interest.

On the Republican side, Chairman Orrin

**Continued on Page 6**

# Consumer prices edge up as weekly wages lag behind

Sharply higher prices for gasoline and medical care costs pushed up the government's consumer price index four-tenths of 1 percent in March as workers' real weekly earnings continued to lag behind the year-earlier level, the Bureau of Labor Statistics reported.

The latest increase in retail prices—the largest monthly rise in more than a year—raised the index for Urban Wage Earners (CPI-W) 4 percent above the March 1984 level. The index for All Urban Consumers (CPI-U) rose five-tenths of 1 percent over the month, and was 4.1 percent higher over the year.

While real, or inflation-adjusted, weekly earnings of production or nonsupervisory workers in the private sector rose only three-tenths of 1 percent in March, they were down by seven-tenths of 1 percent

**Continued on Page 6**

## Budget battle opens

# Humane approach to deficit urged

The battle of the budget got under way in the Senate with Republican leaders counting on an emotional television appeal by President Reagan and a carefully orchestrated lobbying blitz by his business allies to tilt the outcome.

The budget Reagan says is necessary for America's future calls for reducing social security payments over the next three years and slashing or wiping out entirely important government programs.

It would push up military spending, adding billions to the deficit. But while warning against "immoral" deficit spending, Reagan said he will veto any tax increase, "no matter how cleverly it is disguised."

To the AFL-CIO, it is the Reagan budget that is immoral.

In a letter to senators on the eve of the budget debate, AFL-CIO Legislative Director Ray Denison urged passage of amendments that take "a more humane approach to deficit reduction."

Denison assailed the "immorality" of social security reductions that would drive an estimated 570,000 more people into poverty and other budget proposals to raise their health care costs. Congress should not "ignore the educational needs of our children, and strangle our transportation, postal and economic development programs," he insisted.

### Tax loopholes

Such a course in the name of deficit reduction is "morally repugnant," Denison said, at a time when federal tax revenues are being lost through tax provisions that allowed 65 companies making nearly $50 billion in profits to escape federal income taxes.

If other programs are to be frozen, so should defense spending, Denison said. There should be at least a minimum tax on profitable corporations, he urged.

The Republican leadership strategy is to try to keep the budget amendment-free, if possible, or to come up at the end with a package plan that wipes out most of the amendments approved. Toward that goal, the business groups that have signed up as "100 percenters" for the Reagan budget are lobbying for no-amendment commitments from senators.

Denison stressed in his letter to senators that the AFL-CIO considers the budget resolution as brought to the Senate floor "wholly unacceptable."

And "if toward the end of the amending process, there should be a substitute

**Continued on Page 6**

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4/27/85

# *Worker, union rights under siege around globe*

**By James M. Shevis**

A deterioration in the general climate for free trade unionism the world over, combined with a more hostile management style often backed by government policies, makes the need for union solidarity greater than ever, the International Confederation of Free Trade Unions warned.

In its second annual survey of violations of trade union rights, the Brussels-based ICFTU said the continuing increase in the number of violations clearly poses a major problem to workers.

Among its conclusions, the report stressed that workers and their unions have a responsibility to face up to the struggle.

"Good laws and a constructive management attitude from the top down can help prevent anti-union activities, but union strength at the workplace is the only effective deterrent against union-busters," the report observed.

"The traditional virtues of unity, membership participation, and effective representation are therefore the primary defense against the union-busters."

Anti-union discrimination and union-busting were the subject of an entire section of the survey. Other chapters described the trade union rights situation in different parts of the world and focused on violations of union rights in the public service sector.

The report was released at the recent meeting in Washington of the ICFTU's executive board. The confederation represents 83 million workers in 145 labor organizations in 99 countries of the free world.

The survey was issued in keeping with the statement adopted at the ICFTU's 13th World Congress in Oslo in 1983, which stressed that the full exercise of trade union rights is possible only under governments that guarantee fundamental human rights.

The report noted that in the period since the last survey, the ICFTU—in close coordination with the efforts of its affiliates, including the AFL-CIO—took specific actions to protect and promote trade union rights in all parts of the world.

These actions included several missions in 1984 and early 1985 to countries where trade union rights were under particularly severe attack, such as Indonesia, the Philippines, New Zealand, Turkey, and areas of South America and Central America.

The ICFTU also made numerous representations to governments violating the principle of freedom of association and continued to provide humanitarian, legal, and organizational support to trade unionists and their organizations operating under repressive regimes.

## Additional measures

"Further work will have to be done by the ICFTU, the International Trade Secretariats, and their affiliates to identify the problems and strengthen the defense of trade union rights worldwide, including in many of the so-called advanced democracies," the report said.

Skipping from continent to continent, the survey focused on the general situation in countries where violations of union rights are most flagrant.

In Africa, for instance, the situation with respect to human and trade union rights "remains very much the same as reported in the previous survey," the ICFTU said. The report specifically cited South Africa where "the racist nature of the apartheid system negates fundamental human rights, and therefore severely restricts the full exercise of trade union rights."

Elsewhere around the globe, the survey found that the trade union situation in Central America "continues to give cause for concern" with "very serious problems arising from deep-rooted economic and social injustice" in all countries except Costa Rica.

"In South America, on the other hand, a number of countries have returned to democratic regimes, and this has also led to an improvement of the trade union rights situation," the report observed.

Serious violations continue in rural areas of Brazil, however, and in Chile basic human and trade union rights are still being violated more than 11 years after the Pinochet regime came to power, the survey noted.

In Asia, the most serious violations of basic trade union rights occur in communist countries where the official trade unions are instruments of the Communist Party, and fundamental union rights are denied in law as well as in practice.

In Iran, new cases of violent suppression of strikes took place last year. Following a three-week strike at a steel complex in Isfahan in November, a number of strikers were executed and others arrested.

In Turkey, basic trade union rights continue to be violated as martial law remains in force in 23 of the country's 67 provinces.

A "distinct improvement" in the situation in New Zealand took place in 1984 with the advent of the Labor government. The outlawing of union security arrangements that occurred a year earlier has been lifted, and negotiations with the trade union movement have begun on how to terminate the current wage freeze, the report noted.

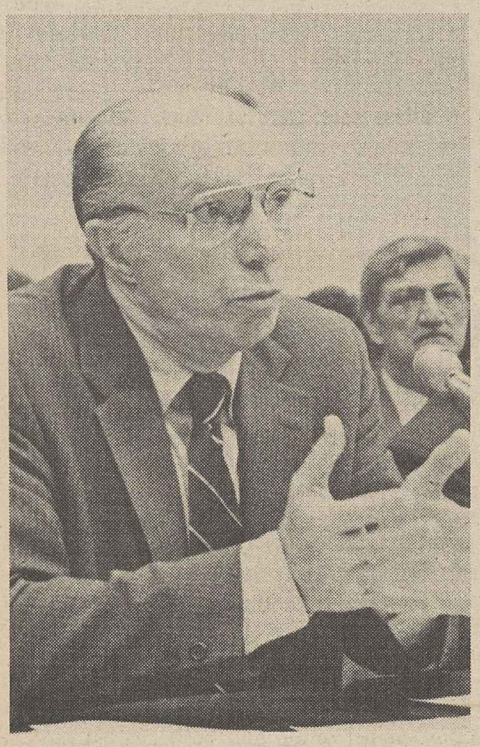
## Wage-fixing

As in 1983-84, the governments of a number of West European countries have resorted to wage-fixing and similar measures that severely limit the right to collective bargaining.

In Poland and elsewhere in Eastern Europe, the trade union rights situation remains in flagrant violation of the principles of freedom of association. The official trade unions are strictly subordinated to the Communist Party by law and serve primarily as agents for the implementation of economic plans and to maintain labor discipline, the ICFTU pointed out.

In the chapter on violation of trade union rights in the public service, the report found "disturbing" the extent to which workers in that sector are prevented from enjoying adequate rights to form and join labor organizations, bargain collectively, and take strike action.

"Even in those countries where their rights are recognized, public service unions find that they are under attack by governments who are seeking to restrict these rights," the survey found.



Thomas R. Donahue

# Tough sanctions against South Africa backed to overcome apartheid policy

South Africa's black trade unionists fully support proposed economic sanctions as a means of dismantling the racist system of apartheid in their country and are prepared to accept the consequences, AFL-CIO Sec.-Treas. Thomas R. Donahue told Congress.

"They see no other solution," Donahue told a joint hearing of the House subcommittees on Africa and on international economic policy and trade.

"We have close, extensive contacts with the black trade unions in South Africa," Donahue said, "and it is very clear to me there is a very strong consensus for sanctions."

Some 20 bills aimed at bringing pressure to bear on the Pretoria government to end apartheid have been introduced in the current session of Congress.

While the AFL-CIO supports legislation proposed by Rep. William H. Gray III (D-Pa.) and other pending measures, Donahue said it would go further and seek a policy of even tougher sanctions.

The Gray bill, Donahue noted, includes recommendations for a number of actions also proposed by the executive board of the International Confederation of Free Trade Unions at its recent meeting in Washington, including a ban on the sale of gold Kruggerands and South African coal in the United States and an end to new U.S. investment in South Africa.

Labor is concerned, however, at the failure of all the pending measures to press for the abolition of South Africa's so-called Preventive Detention laws "that are used to harass, intimidate, and imprison labor leaders and others without trial," Donahue observed.

"These laws, as the AFL-CIO Executive Council pointed out, in effect, nullify much of whatever benefit accrued from previous legislation recognizing the trade union rights of black workers.

"It is not enough to bring external pressure to bear on the South African government. Change must come from within. But such change will not come unless the democratic forces within South Africa—preeminently the black trade union movement—are able to organize and effectively represent the will of the majority.

"It is therefore imperative that we do all that we can to remove the coercive impediments to their exercise of freedom of association."

## Fighting for freedom

Donahue said congressional measures aimed at wiping out the Preventive Detention laws would be a "powerful encouragement to those who are fighting on the front lines of freedom in South Africa."

Since last November, more than 2,900 Americans in 26 cities have been arrested for civil disobedience to demonstrate their abhorrence of apartheid and their displeasure at the Reagan Administration's "constructive engagement" policy toward South Africa. Many of the arrests occurred at protests outside the South African embassy in Washington and at consulates in other American cities.

Inside South Africa, 21 black unionists are being held in jails without charges or trial under the Preventive Detention laws, some for more than six months. Donahue urged the subcommittees to pressure the Administration to demand their release.

He said emergence of the black trade union movement even in the face of repression "holds the greatest promise for the ultimate elimination of apartheid through peaceful means."

"In South Africa, as elsewhere, the ability of people to organize and control their own institutions—that is, to effectively exercise freedom of association—is the best alternative to the bloody resolution of conflict," Donahue said. "And if violent revolution comes to South Africa, there will be no winners, only unimaginable suffering."

# SEIU gains pact with realty group covering 30,000

New York—The Service Employees negotiated a new agreement with the owners of 2,400 apartment buildings providing wage increases averaging 17 percent over three years for some 30,000 handymen, porters, doormen and elevator operators in Manhattan, Queens, Brooklyn and Staten Island.

The agreement between SEIU Local 32B-32J and the Realty Advisory Board on Labor Relations was reached on Apr. 21, a day after the previous contract expired. The union is still negotiating with the owners of 1,600 buildings not associated with the realty board. In the past, the board agreement has set the pattern for unaffiliated owners.

Under the agreement, SEIU members will receive weekly raises of $20 in each of the first two years of the contract and a $21 increase in the third year. Their weekly wages now range from $335 to $327 a week.

The owners had sought a two-tiered wage scale under which new employees would be paid $89 less a week than current workers.

# *Ken Brown plans to retire as GCIU head in September*

Kenneth J. Brown will retire as president of the Graphic Communications Union in September. He has headed the GCIU and its predecessor unions since 1960 and has been an AFL-CIO vice president since August 1983.

He announced his retirement in letters to the union's officers, general board and local unions and went to his Toronto local Apr. 20 for a pre-retirement seminar where he said he could "finally take advantage of the retirement plans" he helped to set up.

Under the GCIU constitution, Recording/Financial Sec. James J. Norton will become acting president until a successor is elected in a membership referendum next January.

Brown, 59, joined the Amalgamated Lithographers of America in 1942 and was elected president of Toronto ALA Local 12 in 1955. He was president of the international union in 1960 when he was 34.

The ALA's merger with the Photoengravers in 1964 created the Lithographers & Photoengravers International Union, which in 1972 merged with the Bookbinders to form the Graphic Arts International Union. In July 1983, GAIU merged with the Printing & Graphic Communications Union to form the GCIU.

Brown serves on the AFL-CIO Executive Council's Committees on Economic Policy, Public Relations and International Affairs, and is a vice president of the AFL-CIO Union Label & Service Trades Dept.

# Marge Cronin retires, COPE research director

Margaret Cronin, director of research for the AFL-CIO Committee on Political Education, retired Apr. 26 after 37 years of service to the labor movement.

She joined the research staff of the AFL Labor's League for Political Education soon after it was formed in 1948, stayed in political research when the respective AFL and CIO political committees merged into COPE in 1955.

Cronin, who is 63, was appointed COPE director of research in 1977.

## Compensation lacking

# Unions call for action on job health hazards

America's workers need better protection against toxic substances and a more adequate system of compensation for job-related diseases that often take years to reveal themselves, the AFL-CIO testified at congressional hearings.

State workers' compensation laws have proved "woefully inadequate" to deal with occupational illness, AFL-CIO Legislative Rep. Jay Power told the House Labor Standards subcommittee. He said only a small percentage of victims ever get compensation—and then usually only after litigation.

Supporting statements to the subcommittee by the Industrial Union Dept. and the Building & Construction Trades Dept. emphasized the concern of a broad spectrum of unions whose members have been exposed to occupational health hazards.

Power said a federal program is clearly needed, and he urged that it be "comprehensive in scope, covering known occupational health hazards" and providing machinery for extending coverage to additional hazards "as they become known."

Such a program should make allowances in the time period for filing claims for "the long latency period for occupational diseases," Power said. It should presume eligibility for benefits if a worker who has been exposed on the job to a substance known to increase the risk of developing a disabling illness does develop that illness.

### Broad remedies needed

Power cautioned against making a workers' compensation system the sole remedy for persons whose lives may have been jeopardized by employers who deliberately exposed them to health risks. Occupational disease is such a serious and growing problem in the United States, he said, that "every means of encouraging preventive action" should be taken—"including the deterrent effect of possible legal action."

In similar vein, he urged that third-party legal claims against manufacturers for additional remedies should remain available to workers.

The possibility that a manufacturer will be held accountable "has proved to be a major incentive for high standards of testing and production, as well as comprehensive notice of possible hazard," Power testified.

IUD President Howard Samuel's statement urged Congress to be as specific as possible in its intent so that OSHA and other Executive Branch agencies have a clear mandate to act.

State workers' compensation laws have proved inadequate for compensating victims of occupational disease, Samuel noted, partly because of the legal difficulty in proving cause of the ailment—such as cancer contracted by coke oven workers in steel mills.

### High-risk groups

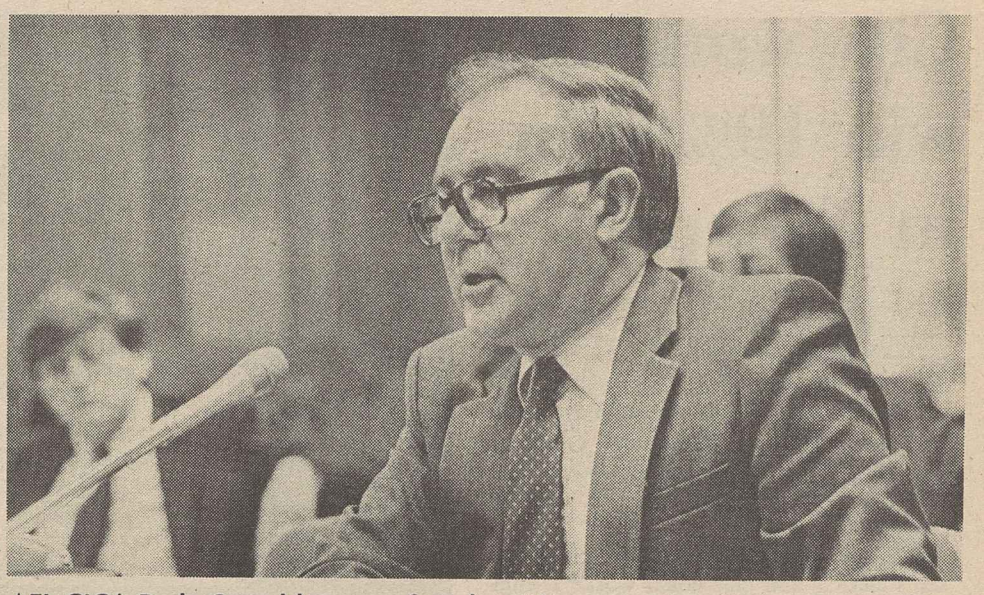
He urged, as did the other union statements, passage of legislation to spur identification and notification of persons who are in high-risk groups because of past or present exposure to health hazards. Labor is supporting a bill that has been introduced by Rep. Joseph M. Gaydos (D-Pa.) and Rep. Augustus F. Hawkins (D-Calif.).

President Robert Georgine of the Building & Construction Trades Dept. stressed that the issue is not just "of abstract concern" to unions.

Nearly every building trades union has members who have been exposed to asbestos dust, a known cancer agent, Georgine said.

Respiratory diseases have been linked to toxic welding gases, Georgine's statement noted. Painters are exposed to harmful fumes and solvents.

Funding compensation payments is a major problem, Georgine acknowledged. But "any mechanism, for paying compensation should place the burden of payment on the manufacturers of the toxic substances," he urged.



AFL-CIO's Rudy Oswald warns of trade crisis.

# *Emergency remedy pressed to correct trade imbalance*

**Continued from Page 1**

cries out for an international solution," Oswald urged.

While the International Monetary Fund is charged with promoting exchange rate stability, Oswald noted that "it does not provide a forum for negotiations to arrive at an exchange rate alignment that will promote greater balance for international trade and economic growth."

There is urgent need, he said, for major industrial nations to set up a forum for "continuing negotiations to make adjustments from time to time that would produce an equilibrium of international exchange rates" and avert the type of trade deficit the United States is experiencing.

Meanwhile, the trade imbalance can at least be alleviated by the temporary tariff surcharge available to the President, Oswald said. In the absence of presidential action, he said, Congress should direct such a move.

In the case of developing countries, where low wage rates are a principal factor in penetration of the U.S. market, Oswald urged "fair trade import quotas" that would allow these nations limited shares of the U.S. market without flooding the marketplace to the detriment of America's workers.

Imports are often defended as a boon to consumers. But Oswald noted that "U.S. consumers get a relatively small part of the wage differential advantage as the foreign producers, exporters, importers and retailers each take as much advantage to increase their mark-up as the market will permit."

## Civil service politicking

# House report takes Devine to task

A House committee delivered a sharp, bipartisan rebuke to Donald J. Devine, top administrator of the federal civil service until his term as director of the Office of Personnel Management ran out last month.

Its report found that Devine—who openly campaigned for right-wing Republicans in the 1984 election—was wrong on all counts last fall when he threatened three Democratic governors with loss of federal funds if state agencies gave any assistance to nonpartisan voter registration drives.

Devine's selection of the Democratic governors of New York, Ohio and Texas as the target for warnings amounted to "selective application and misuse" of the law he cited, the House Government Operations Committee unanimously concluded. Further, the report noted, there is no evidence that any law was violated and Congress is on record that "voter registration efforts should be encouraged by governmental entities at all levels."

President Reagan earlier this year nominated Devine for a second four-year term as OPM director, but a reputation as a bare-knuckles political operative has put Devine's confirmation in doubt. The Senate Governmental Affairs Committee put off a vote when it appeared that the nomination might be defeated.

Testimony before the committee showed that while serving as head of a supposedly nonpartisan career civil service, Devine and hand-picked aides had campaigned actively across the country for conservative Republican candidates—while ostensibly on government business.

In an Administration that has boasted of cutting down the size of government, Devine added in his own agency a new layer of five politically appointed regional representatives. Like Devine himself, they were veterans of Republican political campaigns.

Devine had also come under heavy attack from unions representing federal workers for a "dirty tricks" memo prepared in his office that proposed to manipulate a pay equity study so as to pit "union against union and both against radical feminist groups."

When Devine's term expired on Mar. 26, his deputy, Loretta Cornelius, became acting director of the agency. She immediately hired Devine as her executive assistant—a newly-created $72,300 a year job.

# OPEIU unit gets 3 years' back pay in NLRB award

The National Labor Relations Board ordered a California-based company that closed its Missouri branch to avoid bargaining with the Office & Professional Employees to pay workers it fired more than three years' of back wages.

OPEIU Local 13 organized the St. Charles, Mo., facility of Orange Data, Inc. in early 1981, and was certified as representative of the office employees there in September.

Just before certification, however, a company official threatened workers repeatedly if they chose the union, the NLRB found. The threats continued until the company issued termination notices to the workers in June 1981.

Five months later, the company transferred computer processing work to its home office in California, and discharged its 11 employees in Missouri.

The NLRB found that Orange Data engaged in a number of unfair labor practices "because its employees engaged in union and/or concerted activities for purposes of collective bargaining or mutual aid and protection."

Besides ordering the company to bargain with OPEIU on closing the St. Charles unit, the board ordered Orange Data to pay discharged employees their normal wage rate from November 1981 through March 1985, when the ruling was issued.

# *Copper strikers push corporate campaign*

New York—The 13-union coalition fighting Phelps Dodge Corp. took its campaign to the annual stockholders meeting of Manufacturers Hanover Bank, challenging the seating of Phelps Dodge Chairman George Munroe on its board and questioning the bank's loans to the union-busting copper company.

The unions withheld votes representing some 112,000 shares of bank stock from Munroe during balloting.

In addressing stockholders, Joseph Uehlein of the AFL-CIO Industrial Union Dept., accused Munroe of "financial mismanagement." He questioned Munroe's continued tenure on the board in light of Phelps Dodge's losses of $406 million over the past three years. Manufacturers Hanover is a major creditor of the troubled copper company, which owed it $30 million in 1984.

Uehlein also challenged the bank's loans to Chile, pointing out that the influx of low-cost copper to the United States from Chile's state-owned mines undercuts U.S. copper producers, costing the U.S. jobs.

The action was largely symbolic, Uehlein said, but served to encourage members of the union coalition on strike against Phelps Dodge since July 1, 1983.

The walkout was called when the company refused to accept an industry pattern agreement. Phelps Dodge has a long history of union-busting attempts.

Shares withheld from Munroe's vote included 89,400 in New York City employee pension funds, 11,000 by the Operating Engineers, 6,700 by Graphic Communications Local 51-M, and 4,000 by the Ladies' Garment Workers.

The union coalition members are the Steelworkers, Carpenters, Boilermakers, Machinists, Electrical Workers, United Transportation Union, Chemical Workers, Painters, Railway Carmen, Plumbers & Pipefitters, Operating Engineers, the Morenci- Clifton Metal Trades Council, and the unaffiliated Teamsters.

# Louisiana-Pacific boycott stepped up

The Carpenters will step up boycott activities against the struck Louisiana-Pacific Corp. with rallies across the country May 4 to handbill some 1,000 retail stores that sell L-P products.

In announcing L-P Boycott Day, Carpenters President Patrick J. Campbell said, "Our consumer boycott has cost L-P, and until we achieve justice for our striking members, we will do everything in our power to make the company recognize the heavy price of its irresponsible actions."

The 22-month-old strike began when L-P, the nation's second largest lumber 17 lumber mills in the Pacific Northwest to strike. The strikers are members of the union's Western Council of Lumber Production & Industrial Workers. The council negotiated pattern agreements with 135 other lumber firms that L-P flatly rejected.

The L-P boycott was endorsed by the AFL-CIO in December 1983.

# City workers win 19% gain in N.Y. pact

New York—District Council 37 of the State, County & Municipal Employees reached tentative agreement with the city administration on a new three-year contract covering 115,000 city employees.

Council 37 President Victor Gotbaum said the contract package would raise workers' pay and benefits 19.1 percent over three years.

The AFSCME district council represents clerical and blue-collar workers, engineers, accountants, school-crossing guards, librarians and health-service workers employed by the city government.

The agreement, which was scheduled to be voted on by union members Apr. 25, would give city workers pay raises of 5 percent in each of the first two years and 6 percent in the third year, as well as additional fringe benefits. The increases would be retroactive to June 30, 1984, when the last contract expired.

The economic package also provides for an additional $500 a year for employees with 15 years of service.

The average salary of AFSCME members under the old contract is $16,000.

Under the new agreement workers gained the right to a 12th paid holiday in honor of the Rev. Dr. Martin Luther King's birthday.

In a concession to the city, the union agreed that workers hired after July 1 would get only 10 vacation days, to be increased to 20 over four years.

The AFSCME agreement is expected to serve as a pattern for settlements with other city workers. Talks are underway with teachers, police, sanitation workers and other municipal employees.



Earl J. Kruse

# Kruse succeeds Wiederkehr as head of Roofers

Earl J. Kruse has been elected president of the Roofers by the union's executive board to succeed Joseph A. Wiederkehr, who resigned.

Kruse, 55, a third generation roofer, is a 35-year member of Local 11 in Chicago where he held a number of offices and served as trustee for the local's pension, vacation and health and welfare funds. He was elected vice president of the international in 1972 and has served as special assistant to the president since 1979.

Kruse, whose term as president will expire in 1988, is a member of the union's liaison committee, which coordinates activities between the Roofers and contractor associations. He also has been involved in administering the union's apprenticeship and safety and health programs.

Wiederkehr had taken over the union's presidency three months ago, after Roy E. Johnson retired in January.

Wiederkehr, 60, had been business manager of Local 20 in Kansas City since 1968 and an international vice president since 1970.



CIO oldtimers—Harold Snell, Larry Rogin and Allan Strachan—with Ed Rosney, second from left, of the National Capital Labor History Society.

# *Glory days of CIO recalled 50 years after its founding*

**By Candice Johnson**

The 50th anniversary of the founding of the Committee for Industrial Organization (CIO) was marked by a special meeting of the National Capital Labor History Society at AFL-CIO headquarters.

Members and guests gathered to celebrate the occasion and to hear reminiscences of the "glory days" of the CIO by a number of its pioneers.

Victor Reuther, who headed the Auto Workers' International Affairs Dept. before his retirement in 1972, recalled the dramatic organizing and bargaining struggles of workers in the steel, auto, rubber and other industries. He called the industrial organizing drive of the 1930s and 1940s perhaps "the finest hour of the trade union movement" because "so many millions of new workers were drawn into labor's ranks."

Reuther described his early organizing experiences at Kelsey-Hayes Wheel, an auto parts factory in Detroit. The drive to organize Kelsey came on the eve of the great sit-down battles throughout Michigan, he noted, and 3,000 of the plant's 5,000 workers went on strike for a union contract.

Workers of different nationality and race, needing leaflets in seven languages, "responded to the simple message that in unity there is strength" and "that workers need to defend themselves against corporate greed and corporate arrogancy," a message that still makes sense for American workers, Reuther said.

## Initial skepticism

George Weaver, former executive secretary of the AFL-CIO Civil Rights Committee, said the CIO's announced objective of organizing all workers regardless of race, creed, religion or sex was met with "enthusiasm, hope and skepticism" by the black community. Weaver said the CIO's activities "laid the groundwork for success" in the human rights field because campaigns were geared "not only to organize workers in plants, but to extend influence in the communities."

Labor historian Nelson Lichtenstein, an associate professor of history at Catholic University, discussed the CIO's role in advancing the cause of social and economic democracy.

He said the CIO conferred "industrial citizenship" upon mass production workers. It allowed and often required immigrant workers "to participate in the main stream of politics and American life." Lichtenstein agreed that the CIO brought this citizenship to black workers for the first time and said the nation's first civil rights movement actually began in the 1940s.

Larry Rogin, former director of the AFL-CIO Dept. of Education, said today's organizing climate and problems are different from the 1930s and labor must take advantage of every opportunity. He cited the recent AFL-CIO Executive Council report on "The Changing Situation of Workers and Their Unions" as a necessary step for the labor movement to examine its cause and future.

## Founders

The CIO's founding committee was spearheaded by John L. Lewis of the Mine Workers and included leaders of the Clothing Workers, Typographical Union, Ladies' Garment Workers, Textile Workers, Oil & Refinery Workers, Mine, Mill & Smelter Workers and the Hatters.

The group's early aim—as expressed in a 1935 statement of purpose—was to "foster recognition and acceptance of collective bargaining in basic industries; to counsel and advise unorganized and newly organized groups of workers; to bring them under the banner and in affiliation with the American Federation of Labor as industrial organizations."

But relations between the AFL and CIO generally deteriorated and by 1938 had broken down completely. Unions affiliated with both organizations were first suspended and then expelled from the AFL.

The CIO held its first constitutional convention in Pittsburgh in November 1938 when it became the Congress of Industrial Organizations.

The two labor groups, under AFL President George Meany and CIO President Walter Reuther, were reunited in 1955 as the AFL-CIO with Meany at the helm of the merged federation.

# Donahue bars compromise on civil rights

Whatever the political climate, the trade union movement cannot compromise its commitment to "equal opportunity, equity and fairness," AFL-CIO Sec.-Treas. Thomas R. Donahue said in keynoting the federation's 16th annual Civil Rights Institute.

Donahue hit hard at the Reagan Administration's retreat on civil rights enforcement and its opposition to pay equity for women workers—themes sounded also by AFL-CIO Civil Rights Director William E. Pollard and conference speakers including NAACP Executive Director Benjamin L. Hooks and National Organization for Women President Judith Goldsmith.

Delegates taking part in the weeklong institute at the George Meany Labor Studies Center came from 32 AFL-CIO unions.

In the "hostile environment" of the Reagan Administration, Donahue said, labor must continue to block "those who would turn back a half-century of gains in civil rights" and at the same time continue "to press our demands for new gains."

## No sale

Donahue noted the Administration's stepped-up efforts to sell a subminimum wage for teenagers as a means of opening up more jobs for blacks and Hispanics. "They'll attempt to sell it without explaining that the targeted jobs tax credit enacted in 1981 already offers employers an 80 percent tax subsidy for hiring disadvantaged youth," he said.

Civil rights progress, Donahue noted, has been achieved through a continued push against the concept of "outer limits" of what can be achieved.

"We have to keep on pressing against the outer limits," Donahue insisted, just as the black trade unionists of South Africa are pressing against limits that others wrongfully seek to maintain.

The pressure must be kept up until all artificial limits "finally crumble," he urged.

Pollard stressed the need to continue on the path of human rights progress.

"The escalation of the attack on affirmative action, civil rights and women's rights by this Administration demands renewed efforts to push forward in our quest for equality," he urged.

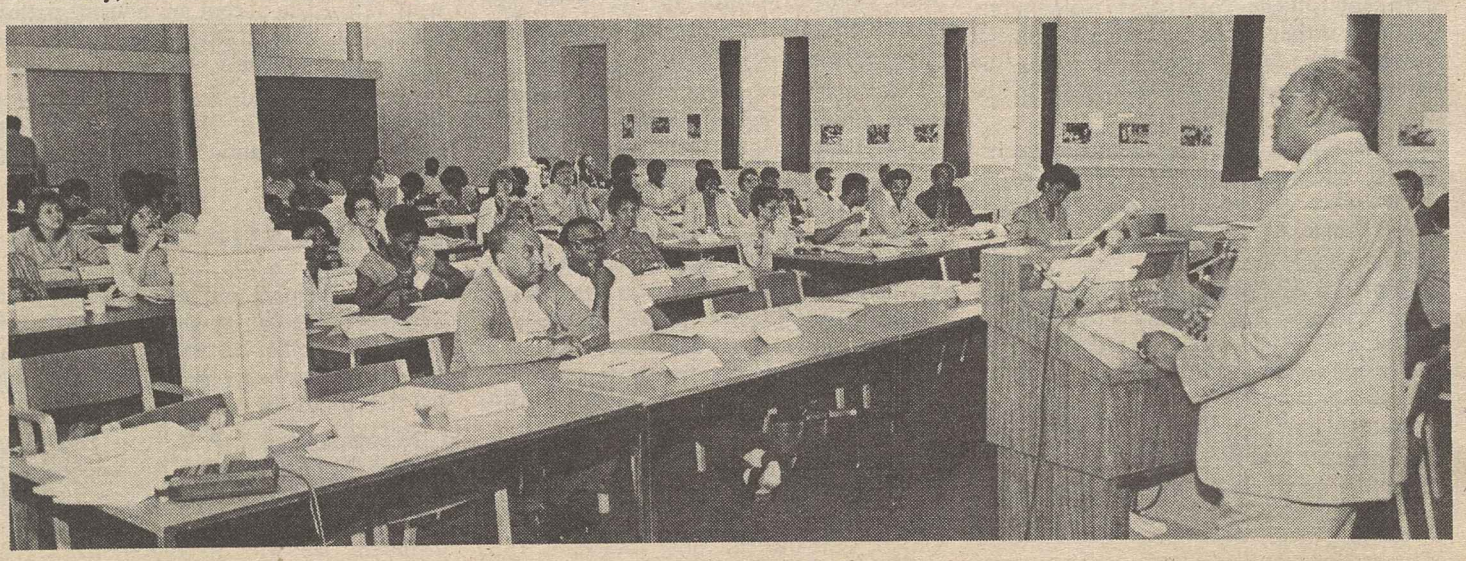
Seminars on civil rights and women's rights issues were part of the conference program, including discussion of legislative and political strategies.

## Focus on Congress

Legislation to overcome the impact of the Supreme Court decision last year in the Grove City College case is high on the congressional agenda and was a focus for workshop discussions.

The case dealt specifically with a law barring sex discrimination in education. But the decision is seen by civil rights groups as weakening enforcement of all anti-discrimination laws.

In addition to Hooks and Goldsmith, speakers at the institute included Rep. Esteban E. Torres (D-Calif.) and Bernice King, daughter of the Rev. Martin Luther King, Jr.



Civil Rights Director William E. Pollard underscores labor's goals for justice.

# *Report finds OSHA's failures threaten workers*

**By Arlee C. Green**

The Occupational Safety & Health Administration has bungled its mandate to protect workers from on-the-job hazards, the Office of Technology Assessment charged.

In a 495-page report, the nonpartisan congressional agency faulted OSHA for its lackadaisical approach to standards setting and enforcement.

The report highlighted the findings of most studies that OSHA's performance under the Reagan Administration has had little or no effect on injury rates. It attributed the decline in injuries between 1979 and 1983 to the economic recession, not the efforts of a scaled-back OSHA.

Every workday about 25 American workers are killed on the job, the report said, and between 12,000 and 45,000 are injured seriously enough to require medical attention or restricted activity.

The report, Preventing Illness and Injury in the Workplace, includes 31 options that Congress is urged to consider in trying to boost the effectiveness of worker safety and health programs.

Matthew Gillan of the Workers Institute for Safety & Health, a member of the advisory panel to the OTA, said adoption of some of the options could reverse the direction being taken under the Reagan Administration, which he warned may adversely affect the health and well-being of workers. Gillan is a former OSHA compliance officer now on the staff of the Clothing & Textile Workers.

Rep. John D. Dingell (D-Mich.), chairman of the House Committee on Energy & Commerce, who asked the OTA to produce the report, said it "seems to indicate that employers have the ability to do far more to protect workers on the job."

Dingell noted also that the report points out that "effective enforcement of existing OSHA regulations and a more active effort to provide information to both employers and workers could result in major reductions in occupational disease."

OSHA regulates only 410 substances. Since the agency's formation in 1971, it has issued only 11 new or revised health standards concerning 24 specific chemical substances and one covering exposure to noise. Three of these were overturned by the courts. Thus, the bulk of the standards and regulations OSHA enforces are mainly those adopted in 1971 from the existing standards of professional safety and health societies. Although those groups have continued to update their standards, OSHA has not, the OTA charged.

## Fewer findings

It said changes in OSHA enforcement under the Reagan Administration have resulted in a decline in the findings of "serious" and "willful" violations by employers and in the assessed penalties. OSHA's policy of encouraging regional directors to "settle" citations by eliminating or reducing penalties in exchange for a promise to abate the hazard "may have further reduced the already weak regulatory effort," the report stressed.

The report sharply criticized the efforts by Reagan's OSHA to permit use of personal protective equipment as a substitute for engineering controls for limiting workers' exposure to hazardous substances. This approach may "endanger the health and well-being of many American workers and reduce the regulatory imperative to develop new and better production and control technologies," the OTA said.

Known as the "hierarchy of controls," the OSHA policy until the Reagan Administration took over gave preference to controlling hazards as close to the source as possible, primarily through engineering controls, then personal protective equipment, augmented by work practices.

In February 1983, OSHA said it was considering rulemaking on the "hierarchy" to explore whether a revised policy could allow employers to use more "cost-effective" compliance methods, such as respirators.

The OTA suggested that Congress consider the appropriate level of OSHA enforcement and then either maintain the current status or "increase the number of inspectors, and the level of fines, and change the targeting and settlement policies to increase the incentives for compliance."

Other suggestions by the OTA were that Congress:

- Encourage formation of labor-management safety committees.
- Expand OSHA's consultation program by increasing its funding and by offering the service to workers and unions as well.
- Continue to fund training of occupational health and safety specialists through grants from the National Institute of Occupational Safety & Health. This would include restoring funding for educational research centers which Reagan wants to eliminate.

## Worker training

- Require employers to provide a minimum level of health and safety training to their entire workforce.
- Support introduction of classes on occupational safety and health into business administration and engineering curricula, and occupational medicine into medical school course work.
- Increase federal funding of OSHA's training and education programs.

Other recommendations dealt with options ranging from tax credits to government loans that might induce employers to voluntarily install engineering controls to reduce workplace hazards.

In a related development, OSHA announced that it has determined its current standards are sufficient to protect workers exposed to hazards in the biotechnology industry. The agency said it will consider setting standards if hazards emerge that pose a significant risk to workers.

The growth of the biotechnology industry has raised questions concerning health risks to workers involved in laboratory processes that modify genetic materials.

# OSHA scored for new delay on formaldehyde standard

The Occupational Safety & Health Administration's court-ordered decision to begin rulemaking on formaldehyde was branded a delaying tactic and "the least responsive action" the agency could take.

OSHA waited until the final day of the federal court's Apr. 15 deadline before issuing an "advanced notice of proposed rulemaking." This is usually followed by additional notices, hearings and reviews in a process spread across several years.

"This is just another one of their games," charged Margaret Seminario, associate director of the AFL-CIO Dept. of Occupational Safety, Health & Social Security. "We are no closer to having a regulation on formaldehyde than we were five years ago."

Over the last four years, unions have repeatedly prodded OSHA to issue an emergency temporary standard that would immediately reduce worker exposure to the suspected cancer-causing chemical.

OSHA has twice refused to take emergency action after being petitioned by the Auto Workers and 14 other unions. The unions then sued. Last year, the U.S. District Court for the District of Columbia ordered OSHA to decide by Apr. 15 whether to proceed with rulemaking.

Dr. Frank Meier, the UAW's health and safety director, charged that "OSHA has invented a new way to delay. This is the third attempt to sidestep action by calling for new information gathering."

OSHA still has not proposed to lower the exposure limit from the current level of three parts of formaldehyde per million parts of air (3 ppm).

Some 1.3 million workers are exposed to the chemical and they will remain at risk while OSHA delays, Meier warned.

"There is adequate information for regulation and no further delay is warranted," he stressed, expressing concern that the agency will take no action in reducing exposure limits.

Meier said the UAW will likely ask the court to find OSHA's response inadequate.

The only time OSHA has issued a standard during the Reagan Administration was under court order. OSHA has not responded to the lawsuit or the court order.

Joseph L. Durst, Jr., the Carpenters health and safety director, pointed out that the National Institute for Occupational Safety & Health called for lowering the exposure limit to 1 ppm nine years ago.




## Tax petition drive

Coalition seeking to close corporate tax loopholes is conducting a petition drive in cities across the country. Chicago campaign is announced at a news conference by Vice President Steve Cullen of the State, County & Municipal Employees. Others are Carl Shier of the Auto Workers, Chicago Teachers Union President Jacqueline Vaugh, and the Rev. Thomas Joyce of the Eighth Day Center for Justice.

# 19 unions cited for disaster relief

Nineteen AFL-CIO unions whose locals have set up a network of disaster relief centers in cooperation with the American Red Cross were honored at a White House ceremony with the President's Volunteer Action Award.

Electrical Workers President Charles H. Pillard, whose union had a major role in launching the program two years ago, accepted the presidential award on behalf of all the unions involved.

Union locals along the southeastern coast from Louisiana to Virginia—an area that has suffered severe hurricanes—have made their halls available for relief operations. Donated telephone and emergency generating equipment have made the centers immediatly available when disaster strikes. Pillard termed the project an example of unions and employers working together for a common good.

Participating unions honored with the award include the Communications Workers, Clothing & Textile Workers, Plumbers & Pipe Fitters, Operating Engineers, Machinists, Boilermakers, Carpenters, Bricklayers, Auto Workers, Iron Workers, Steelworkers, Rubber Workers, Longshoremen, Government Employees, Paperworkers, the Bakery, Confectionery & Tobacco Workers, the Oil, Chemical & Atomic Workers, and Ladies' Garment Workers.

# Sheet Metal Workers move to deter 'double-breasting'

Steps to halt the spread of "double-breasted" contractors who operate both union and non-union shops in the sheet metal industry have been approved by the Sheet Metal Workers' executive council.

The council established a policy that SMW local unions may not accord special contract provisions to employers for the purpose of competing more effectively with non-union contractors unless those employers are all-union themselves.

SMWIA President Edward J. Carlough, in a statement in the union's Journal, said the time to "terminate the practice" of double-breasting in the sheet metal industry is now.

The mechanism adopted by the union's executive council for halting the practice is to bar double-breasted contractors from the privileges and concessions granted employers under the union's three-year-old program to help make union contractors more competitive.

The union credits the program with helping cut unemployment in half for its members during the past two years.

## Counterproductive

To grant contract benefits to employers who then hire non-union workers would be to destroy the very purpose of the program, Carlough pointed out.

The policy approved by the SMW executive council requires employers to sign an "integrity clause" before negotiating and receiving contract concessions. The clause defines a "bad-faith employer" as one who operates on a double-breasted basis or permits a subsidiary to do so, or is in fact a subsidiary of a double-breasted company.

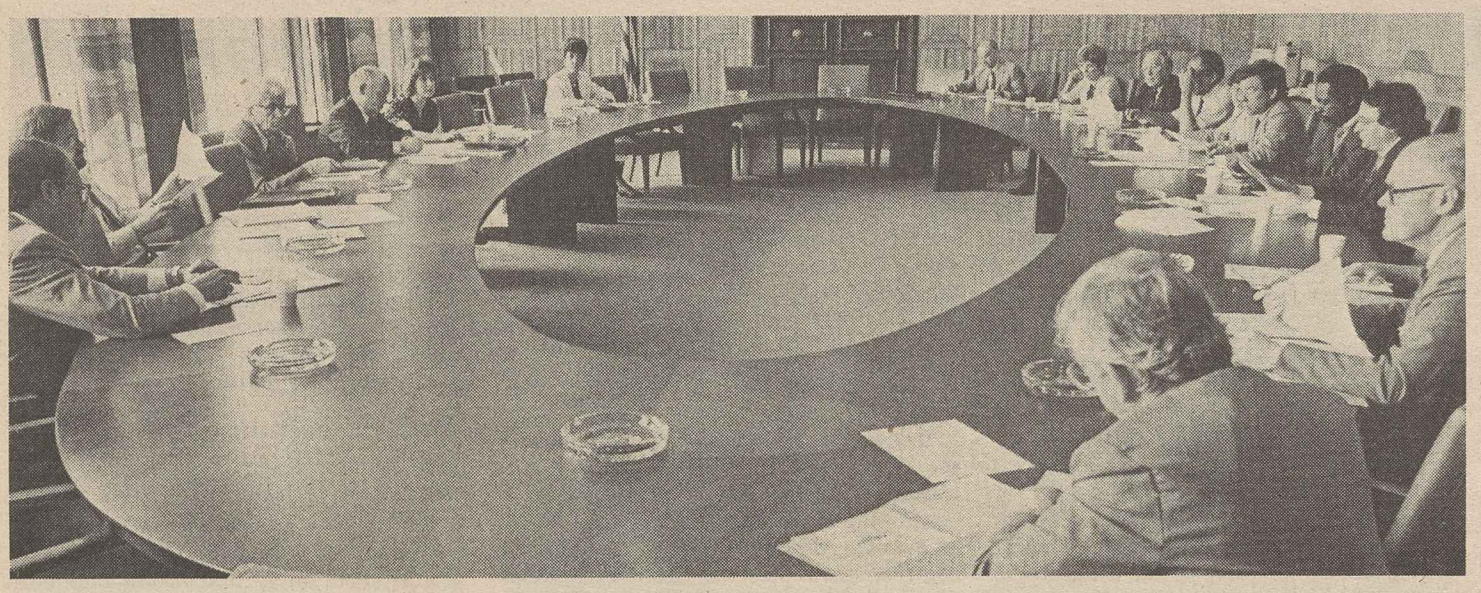
## New York union volunteers honored

New York—A graduation ceremony for 588 newly trained union counselors highlighted the annual institute of the Central Labor Rehabilitation Council—the community services arm of the New York City AFL-CIO.

Gerald R. Waters, Sr., who administers the program, said the volunteers came from more than 60 AFL-CIO unions—and included 280 electrician apprentices from IBEW Local 3.

The men and women who received the counselor certificates all tok at least 24 hours of training, with emphasis on identifying problems, referring persons to United Fund and other agencies able to give professional help, and following up on progress. Alcohol and drug abuse, physical or mental health problems, financial difficulties and job safety are among the areas of assistance. While the emphasis is on help for fellow workers, the volunteers also use their knowledge of city resources to help people in their communities.

The all-day program included panel sessions with participants including national AFL-CIO department heads, state and local union leaders and officials of organizations involved in community services. James Joy, Jr., who heads the Community Services Committee, chaired an awards presentation luncheon.



# Focus on health care

Service Employees President John J. Sweeney, chairman of the AFL-CIO Executive Council Ad Hoc Committee on Health Care, leads the discussion on the Reagan Administration's efforts to tax workers' life-support benefits, and employers' attempts to trim back health care coverage for workers. The committee was briefed on legislative developments and reviewed a cost-containment measure. A health care video tape will be available by August.

# *Church-operated business ruled subject to wage floor*

The Supreme Court ruled unanimously that employees of religious organizations engaged in commercial enterprises are protected by minimum wage and overtime pay provisions of the Fair Labor Standards Act.

The high court upheld lower court decisions that the businesses run by the Tony and Susan Alamo Foundation, based in Alma, Ark., are subject to the federal wage law despite their religious sponsorship.

The controversial right-wing foundation operates more than 30 businesses which are staffed by some 300 workers who receive shelter, food, clothing and medical care from the foundation—but no wages.

The foundation, formed in 1969, was sued in 1977 by then Labor Sec. Ray Marshall to enforce the FLSA requirements on minimum wages, overtime and record-keeping. A federal district court's finding that the foundation was subject to the FLSA rules and that its "associates" were actually employees was upheld by the 8th U.S. Circuit Court of Appeals in St. Louis.

In the unanimous Supreme Court decision, Justice Byron White wrote that the foundation is an "enterprise engaged in commerce" and subject to the FLSA. The ruling rejected the foundation's contention that it is not a business enterprise because it is considered a tax-exempt religious organization by the IRS and that its activities are not for a "common business purpose."

The court determined that the FLSA "contains no express or implied exception for commercial activities conducted by religious or other nonprofit organizations" and the Labor Dept. has consistently held that such activities are within the reach of the statute.

### Business ventures

Justice White said the lower courts correctly rejected the foundation's argument that its businesses, which include gas stations and motels, are actually "churches in disguise." He cited the lower courts' finding that these businesses are in direct competition with ordinary commercial enterprises and that the foundation would have a competitive edge over other businesses if it were allowed to pay substandard wages.

Even though the "associates themselves vehemently protest(ed) coverage under the Act," the "purposes of the Act requires that it be applied even to those who would decline its protections," White wrote.

He stressed that if an exception were allowed for those who testified that they performed work "voluntarily," then employers "might be able to use superior bargaining power to coerce employees to make such assertions, or to waive their protections under the Act."

# Consumer prices edge up as weekly wages lag behind

**Continued from Page 1**

over the year. That's the fifth time in the last six months that real earnings were below the level of a year earlier.

BLS said that workers grossed an average $299.75 a week in March in current dollars, but in constant 1977 dollars this translated to $172.37.

Transportation costs registered the sharpest turnaround last month, going from a decline of one-tenth of 1 percent in February to an increase of 1.3 percent in March. BLS attributed the acceleration to higher gasoline price increases than are usual at this time of the year.

A seasonally adjusted rise of 3.6 percent in gasoline prices over the month ended a three-month string of gasoline price decreases.

Medical care costs posted a rise of eight-tenths of 1 percent in March, about double the February pace. Over the year, medical care costs were up 5.9 percent, making them one of only two major CPI components with inflation rates higher than 4 percent. The other is a miscellaneous "other goods and services" category.

Auto prices continued to rise last month, but by less than in February. New car prices were up five-tenths of 1 percent, while used car prices rose by 1 percent, BLS said.

Auto finance charges fell by nine-tenths of 1 percent in March, marking the fourth straight monthly drop.

The cost of public transportation climbed by seven-tenths of 1 percent last month, mainly due to a 1.2 percent rise in airline fares.

# Senate urged to reject cuts in vital needs

**Continued from Page 1**

resolution offered" which would nullify the improvements made, the AFL-CIO would consider that as the key vote on the budget in its congressional scorecard.

This is the third time this year Reagan has gone all out to sway a congressional vote. The first was on freeing funds for the MX missile, where he was successful in House and Senate votes taken on the eve of arms reduction negotiations between the United States and the Soviet Union.

Most recently was the issue of a $14 million appropriation to aid the Nicaragua "contras"—to be available for military purposes if peace negotiations broke down.

There, he won Senate approval for a compromise version, but lost in the House despite having backed down substantially from his original position.

In the budget battle, Reagan faces a credibility gap on his flip-flop over the issue of reducing the social security cost-of-living safeguard.

Apart from his election pledge not to tamper with it, Reagan earlier this year at a news conference made exactly the point opponents of his budget package now are making.

Social security, Reagan noted then, did not cause the deficit and is not running at a deficit.

In the budget battle, Reagan faces a lumped elderly Americans concerned by his social security cuts with "special interests," who would pick the budget apart "piece by piece."

The House is weeks away from the budget issue and the Democratic majority of the Budget Committee is certain to propose an alternative to the Reagan plan, regardless of what the Senate does.

### Disputed seat

While the Senate debate was under way, the House was locked in an increasingly bitter partisan battle over the outcome of last November's election in the 8th Congressional District of Indiana.

A recount directed by the House Administration Committee found Democratic incumbent Frank McCloskey the winner by four votes out of more than 234,000 cast.

Republicans, who earlier had tried to seat the GOP candidate, Richard D. McIntyre, on the basis of a state certification, threatened a policy of disrupting House proceedings unless Democrats agreed to require a new election. They kept the House in session with all-night speeches, and warned of stronger tactics to come.

# Senate unit gives strong bipartisan support to Brock

**Continued from Page 1**

G. Hatch (Utah) sought and received assurances that Brock would move quickly to fill top-level vacancies that have left many programs drifting.

Sen. Don Nickles (R-Okla.), who has pushed for a subminimum youth wage, was assured that Brock considered the Administration proposal "worth the effort" although not the "sole answer" to youth unemployment. Brock said he is "sensitive" to labor's concerns that a lower youth wage could hurt adults in minimum wage jobs.

Democrats pressed Brock on Labor Dept. backsliding on assistance to workers and the unemployed.

Sen. Edward M. Kennedy (D-Mass.) displayed charts showing OSHA's failed promises and "poor management." Sen. Howard Metzenbaum (D-Ohio) pointed to OSHA's "shameful" refusal to issue a field sanitation standard for farm workers. Others questioned plans to eliminate Labor Dept. regional offices—a decision Brock promised to review when he takes office.

Brock's opening statement stressed his belief that skill training is essential to keep American industry competitive and to provide jobs for unemployed. "Our pool of unskilled workers continues to increase while the pool of jobs for unskilled workers is declining," he warned.

The committee unanimously supported confirmation, clearing the way for approval by the full Senate.

# *Schedule of Labor Studies Center courses*

The George Meany Center for Labor Studies will offer seven institutes and workshops during May and June. The schedule:

**Arbitration Techniques: Preparation & Presentation,** May 12-17—A course concentrating on the presentation of mock cases before professional arbitrators. The exercises are videotaped for self-criticism.

**Organizing Techniques I,** May 12-17—A program for full-time union organizers teaching the essentials of an organizing campaign: targeting, interviewing workers, picking winning issues, selecting plant committees and countering employer hostilities.

**Advanced Editing Skills,** May 19-24—A workshop for experienced editors focusing on makeup, photo editing and headline writing, cosponsored by the International Labor Communications Association.

**Advanced Leadership Skills,** June 2-7—A workshop on how to read faster and remember more, speak more effectively, write more clearly and chair meetings more effectively.

**Occupational Health & Safety,** June 2-7—A program that coaches participants to recognize health and safety hazards, the nature and causes of occupational diseases, worker and union rights under OSHA, and on health and safety issues in negotiating and administering contracts.

**Fact Finding & Interest Arbitration,** June 16-21—An institute to examine the forms of interest arbitration and the use of fact finding to settle public employee contract impasses.

**TV: The Cool Medium,** June 30-July 3—A three-day workshop to coach officers of local central bodies on working with television reporters. Participants will have three exercises facing the video camera: A hostile confrontation, a panel discussion and a studio interview.

Also using the center's facilities during May for staff training sessions: Railway & Airline Clerks, May 5-10; State, County & Municipal Employees, May 5-10 and 28-31; Service Employees, May 19-24; Flight Attendants, May 28-31, and AFL-CIO Committee on Political Education, May 28-31.

The Labor Heritage Foundation is sponsoring the annual Labor Song Exchange May 12-14. More than 50 labor troubadours are expected to swap labor songs, attend workshops in the history of labor music and song writing and skit production. The session will end with a concert in the campus auditorium May 14 at 8 p.m.

During May, the American Institute for Free Labor Development will tutor two groups of trade unionists—20 from Brazil and 22 from Caribbean countries. The Brazilians will study collective bargaining techniques and research methods; the Caribbean group, comparative political and economic systems.

More information on these or other labor studies is available from Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903; telephone 301/431-6400.

# EDITORIALS

## Stolen Rhetoric

THE NEW DEAL era of Franklin D. Roosevelt is enshrined in our history books, and with good reason. The social reforms brought about by the combination of a popular, visionary President and a progressive Congress permanently changed the face of America—for the better.

This year marks the 50th anniversary of the social security system, one of those watershed achievements of the New Deal.

It was based on the once revolutionary notion that persons no longer able to work should not have to rely on public or private charity to live out their lives.

Perhaps because it was relatively recent, most history books have not yet caught up with the shorter-lived sequel to the Roosevelt revolution—the achievements of President Lyndon B. Johnson at the height of his popularity and the overwhelmingly Democratic Congress that shared power with him 20 years ago.

That was a Congress that at LBJ's urging struck down racial bars to voter registration and changed forever politics in the Deep South, broke new ground with the first federal aid to education—and passed Medicare.

IRONICALLY, the same arguments that had been raised against social security in 1935 were raised against Medicare in 1965.

Fighting the New Deal, the National Association of Manufacturers protested that providing pensions for persons too old to work and for their survivors would weaken "the incentive for individual self-help, thrift and forethought."

In close paraphrase, the opponents of Medicare protested that it would "rob a person of much of his urge for thrift" and warned that if children were relieved of the burden of paying hospital expenses for elderly parents, there would be more mental illness because parents would have a feeling of being unimportant to their children.

President Reagan stopped barely short of matching that rhetoric in his televised speech urging support for a budget that demands new sacrifices from the elderly—and from just about everyone else who struggles to make ends meet. The President vowed fierce resistance to imposing a minimum tax on corporations instead of reducing social security benefits, for example.

But to America's elderly who remember clearly the ringing words of John F. Kennedy's inaugural address, there was bitter irony in the scolding they got from Mr. Reagan, "Ask not what your country can do for you, ask what you can do for your country."

John Kennedy, let the history books note, was not asking retired and disabled workers to give up their earned benefits so that profitable corporations can continue to get a free ride.

## Continuing Struggle

OUR STRUGGLE is for human worth, for dignity on the job, and we never change our answer to the vital question, "Am I my brother's keeper?" The civil rights movement and the labor movement have always answered with a resounding "Yes." But Reaganites say the question is irrelevant.

They have no wish to talk about public health, public education, public welfare as human values or even as public capital investment that enriches and enlarges the society of which we are a part. They think of these things only as consumer expenditures that increase public spending and reduce the return on private capital.

While the irresponsible 1981 tax concessions to the rich and corporations have sent the budget deficit into orbit, the Republican solution is to cap social security cost-of-living increases and cut out more of the programs designed, as Lyndon Johnson said it, to remove the chains with which minorities come to the starting line of life's race.

We have to keep pressing and pressing for dignity and equality.

*—From remarks by AFL-CIO Sec.-Treas. Thomas R. Donahue to the Civil Rights Institute, Apr. 21, 1985.*




**Washington Window**

# Corporate takeover fever adds burden to economy

**By Press Associates, Inc.**

The nation seems to be in the grip of a corporate "merger mania"—large companies gobbling up smaller ones, and even small fish swallowing whales.

A real-life soap opera is played out almost daily in the media—tales of bold corporate "raiders," "white knight" rescuers, and "poison pill" defenses.

The actors in this boardroom melodrama are becoming household names—oil baron T. Boone Pickens, media mogul Ted Turner. In an age lacking for heroes, these wizards of high finance and fast bucks are seen as modern-day Lancelots.

But there's more to the picture. However entertaining to watch is the battle for CBS, Unocal and other prizes, it's important to look at what's going on under the table in this game of monopoly. For the game is being played with real money, and the stakes are high for the nation's economy and the jobs that depend on it.

Alarms are being sounded in many corners. Charles Marinaccio, soon to retire from the Securities & Exchange Commission, said recently that the growing threat from corporate raiders has forced many corporate executives to concentrate on erecting elaborate defenses at the expense of managing their companies. He said this was unfortunate in view of stiff foreign competition.

### Laws make it easy

Marinaccio said corporate takeovers, achieved through "leveraged buyouts" and other new financing gambits, are too easy under current laws and regulations.

Nobel Prize-winning economist Wassily Leontief observed that mergers don't produce any "new assets or new jobs—nothing is added to the economy." Indeed, smaller companies which become merged into large conglomerates often become less efficient, productive and profitable.

Further, the billions of dollars borrowed to finance as well as to fight takeovers is money not available for productive investment.

The diversion of these billions into merger and anti-merger corporate "war chests" has been a factor in keeping real interest rates at historically high levels, economists say.

In addition, the increasing burden of corporate debt resulting from the merger craze has raised new concerns about the health of the U.S. financial structure.

### Various causes

The merger fever's causes are varied. An important one is the Reagan Administration's permissive interpretation of the nation's anti-monopoly laws. The Administration has kept hands off in the name of letting the "free market" work its will.

Congress also has been sitting on its hands. After a series of hearings, the Senate in early 1984 rejected a bill to impose a six-month moratorium on big mergers.

AFL-CIO President Lane Kirkland, in a speech to the recent building trades conference, described the destructiveness of the merger battles and the role which a democratic government should play.

"America's place in the world," Kirkland said, "is not endangered solely by unfair foreign competition, but equally by American mismanagement, furthered by the Administration's disregard for the antitrust laws and its dogmatic conviction that chaos is better than regulation."

When the dust from the merger battles settles, he continued, "the pirate walks away with 50 or 80 or 100 million dollars in what they call greenmail, leaving a weaker, poorer company behind. Or, if he gains control, he closes plants, fires workers and deals off divisions to pay for the cost of his adventure with the company's own lifeblood."

The issue of megamergers, Kirkland said, is one which "revolves around the question of what, precisely, government is for—what role government should play in the life of a democratic society."

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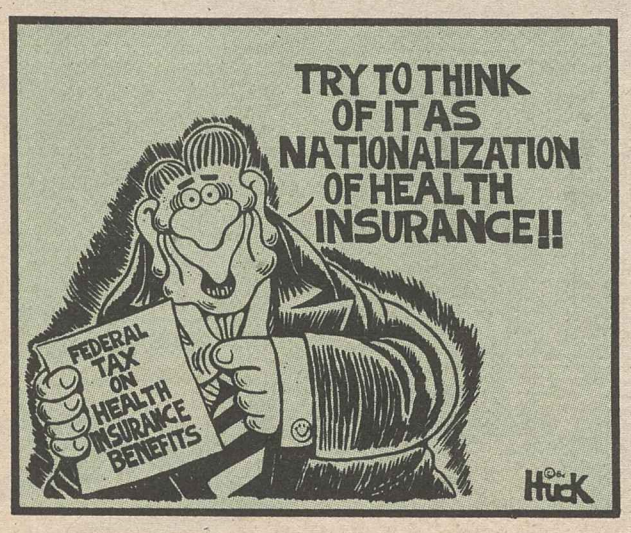
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# LEGISLATIVE ALERT!




*Budget Battle Heats Up:*

## Key Programs Face Senate Votes, But Test To Come On Package

Earlier this month, the Senate leadership and the White House came to an understanding over a collection of budget cuts and freezes that arbitrarily strike at the heart of worker programs. In the next week, many members will be offering their own amendments to this package, so they can go on record as trying to save their favorite programs. Look for measures restoring the Social Security COLA, Mass Transit Medicare, Medicaid, student loans, Job Corps, and more. But the real test will be down the road.

There is a good chance that all this preliminary activity will be for naught. Majority Leader Robert Dole will be waiting in the shadows and when he's sure which way the political wind is blowing, he may very well put together his own separate budget package --one he is confident will pass muster. This late-hour package budget could well include many of the cuts in programs that Senators will have voted earlier to save. If so, this will be the only vote that really counts.

In the meantime, the AFL-CIO has sent a letter to Congress, detailing our strong opposition to the so-called "White House Compromise". Now, union members need to follow up with personal visits and letters to their congressmen on this important fight.

Below are some of the important new cuts in worker programs contained in the White House package before the Senate:

* Total elimination of Mass Transit subsidies and Amtrak.
* Total elimination of the Jobs Corps.
* A three-year cap on the cost-of-living adjustment for Social Security, with worse long-term implications for retirees.
* Total elimination of all UDAG grants.
* A new 3 percent increase in defense spending.

This compromise would direct the elimination of these programs, rather than just reduce funding levels, as previously planned. This would make it impossible to revive them at a later date.

## The Care And Feeding Of Your Congressman On The Life-Support Benefits Tax Issue

*Your Questions And Their Answers:*

With action heating up in both the Senate and the House of Representatives over the proposed tax on life-support benefits, union activists around the country are meeting with their elected officials to find out exactly where they stand on this important issue.

Some members will already be on our side, but others will likely use a number of slight-of-hand tactics to avoid making a commitment. Below are the kind of dodges some members may use to avoid taking a stand, along with the responses union members can use to make them commit:

THE DOUBLE SHUFFLE

**"Of course I support you on the issue, but if it's in a package, I'll have to take a second look at it."** If you get this response, the legislator hasn't given you a commitment at all, because the employee tax will likely rear its ugly head as part of a package: either as part of a budget bill or a tax simplification bill. So press on --get an unequivocal commitment to oppose the life-support benefits' tax no matter what form it takes.

THE DETOUR

**"Why shouldn't employee benefits be taxed ... it's only fair."** No, it isn't fair! Health coverage and other benefits aren't frivolous "perks" or tax gimmicks designed to shelter income from fair taxation. Rather, they are long-standing economic protections built into the tax code by Congress in order to encourage their availability to all citizens by providing an economic incentive designed to induce employers to provide those benefits. These benefits haven't been taxed before and they shouldn't be taxed now!

THE DODGE

**"Taxing employee benefits is part of a trade off for an overall reduction in your taxes."** Don't you believe it. A recent United Auto Workers analysis of a UAW family with total wage earnings of $30,000 yearly would experience a tax increase of $515 under Reagan's first tax simplification proposal while under the Bradley-Gephardt bill -- income taxes would rise by $614. A separate AFL-CIO analysis, based on the U.S. Treasury's $33,600 median family income model (joint return, one wage earner with two dependents) shows that taxing employee benefits coupled with the loss of other deductions contained in the Reagan proposal, would increase worker taxes by $265 yearly. So much for a trade off.

THE DUNCE

**"I don't know much about the issue."** Don't let a legislator play dumb on this issue. Reagan's tax simplification proposal isn't a brand new idea. It has been widely publicized, and practically every member of Congress is receiving mail from his or her constituency opposing it. Besides, Reagan proposed taxing health benefits in the last Congress. So your legislator has had plenty of advance notice about this issue.

THE DREAMER

**"It's probably not going to come up."** You've got to be kidding? Faced with $200 billion plus federal budget deficit, the benefits tax -- which will pick the pocket's of workers to the tune of $24 billion annually -- makes for an easy target. So the benefits tax will get more than a passing glance. The goal is to make sure your legislator doesn't look twice.

## If Congress Is Really Serious About Tax Reform, Then First Put Corporations Back On Tax Rolls

Support is growing on Capitol Hill for a new bill that would make our tax-dodging corporations finally pay their fair share of federal taxes.

House Majority Leader Jim Wright has said he favors a 15 percent tax for all corporations, and in the Senate, Howard Metzenbaum has said he would amend the budget to cut down on the "corporate welfare" that allows companies like General Electric to earn over $6 billion in profits and pay no taxes at all.

It's the first indication that some members are serious about tax fairness.

Congress as a whole can demonstrate its sincerity about tax reform by first closing these shameful loopholes and putting our big corporations back on the tax rolls.

In the meantime, a Washington D.C. research group has released the latest figures on those American companies which are paying no taxes at all. These are only five of a total of 65 major U.S. firms:

### *America's Biggest Tax Avoiders*

The following companies not only paid no net taxes at all during the period 1981-1983, but actually received rebates from the federal government. At the same time, their profits were in the millions or even billions, and their top executives received handsome -- and increased -- salaries.

| Company | 1981-83 profit | tax rebate | Executive | 1984 pay | 1983 pay |
|---|---|---|---|---|---|
| G.E. | $6.5 bil. | $283 mil. | J. Welsh jr. | $1.3 mil. | $1.1 mil. |
| Weyerhauser | $640 mil. | $138 mil. | G. Weyerhauser | $.672 mil. | $.720 mil. |
| Georgia Pac. | $400 mil. | $99 mil. | T.M. Hann | $.685 mil. | $.452 mil. |
| Celanese | $296 mil. | $45 mil. | J. Macomber | $.9 mil. | $.68 mil. |
| CSX Corp. | $1.7 bil. | $15 mil. | H. Watkins | $.97 mil. | $.48 mil. |

AFL-CIO news

VOL. 30, NO. 18
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MEMO FROM COPE
PAGE 8

# Trade deficit continues to soar





## Talking it out in Providence

At the AFL-CIO regional conference in Providence, R.I., Federation President Lane Kirkland responds to a question on organizing from Morty Miller of Hotel Employees & Restaurant Employees Local 217. The two-day session attended by more than 300 persons included workshops, question-and-answer periods and five satellite meetings. Members from New England states and Pennsylvania voiced concerns on imports, health care cost containment, attempts to tax worker benefits, state and local central body affiliations and the Reagan budget. The next regional conference will be May 17-18 in Cherry Hill, N.J., for five mid-Atlantic states and the District of Columbia.

## *Import tide drains jobs, U.S. industry*

**By James M. Shevis**

The nation's long-running foreign trade deficit continued to soar in March, reaching $11 billion for the month and heading toward a record $130 billion for the year.

The Commerce Dept. reported that the March figures brought the U.S. merchandise trade deficit for the first three months of the year to $32.8 billion, almost 9 percent greater than the same period in 1984.

"These trade imbalances, particularly in the manufacturing sector, are quickly eroding the strength of America's industrial base and costing millions of jobs," AFL-CIO Research Director Rudy Oswald warned.

"The economic and social dislocation that results from this torrent of imports is being felt in hundreds of communities across our country," Oswald said.

"Even the most sophisticated and heretofore competitive industrial sectors like telecommunications and industrial machinery are now paying the price of the Reagan Administration's economic mismanagement."

Oswald said the March report gives new urgency to the AFL-CIO's appeal in Senate testimony last week for emergency measures to deal with the growing trade crisis.

### Oil imports drop

The government said the picture would have been even bleaker except for a sharp decline for the fourth straight month in the value of petroleum products brought into the United States—from $3.75 billion to $3.12 billion.

Total imports for March reached $29.5 billion while the value of exports was $18.45 billion.

Commerce Sec. Malcolm Baldrige was not optimistic about any immediate turnaround in the situation.

"The economy probably will strengthen during the current quarter, but domestic

Continued on Page 3

## *Economic index tilts downward, forecast gloomy*

The U.S. economy continued to sputter in March.

A drop of two-tenths of 1 percent in the government's key indicators and slow growth in the economy in the first three months of the year, "is a matter of substantial concern," AFL-CIO Research Director Rudy Oswald declared.

"It points up not only the current weakness in the economy, but further weaknesses in months to come. Such weakness in the economy offers no hope for the large number of jobless workers," Oswald said.

The March decline in the Commerce Dept.'s composite index of leading indicators followed downward revisions in the index for February and January. The index gauges economic activity between three and nine months ahead.

Meanwhile, the Commerce Dept. reported that new orders for factory goods fell nine-tenths of 1 percent for the second straight month in March and now have declined in eight of the last 12 months.

In another report, the Labor Dept. said U.S. business productivity declined 1.2 percent in the first quarter of 1985, the first downturn since the third quarter of

Continued on Page 4

## Social security cutback beaten in Senate, 65-34

The Senate voted down a social security cutback sought by President Reagan and the Republican leadership, but the National Council of Senior Citizens warned that the victory wasn't yet final.

It marked, however, the first unraveling of a budget package that combined deep cuts in domestic programs with a large increase in military spending.

The Senate's 65-34 vote knocked out of the budget resolution a labor-opposed provision reducing the social security adjustment for each of the next three years.

The budget package was the result of a deal between the Reagan White House and the Senate Republican leadership. Senate Republican leaders wanted the projected budget deficit reduced, and Reagan agreed to break his campaign pledge and support a cutback. Even though the social security system is financed from payroll taxes and is running a surplus, reducing benefit checks by $22.7 billion over three years would show up as a budget saving.

In return for Reagan reneging on his promise to social security beneficiaries, Senate Republicans agreed to support a multi-billion dollar rise in military spending—above the amount needed to keep up with inflation.

### Showdown vote

The political pressure against a social security cut proved too strong for the thin Republican majority in the Senate, however. On the showdown, 19 Republicans joined a solid bloc of 46 Democrats in rejecting the COLA cutback. In fact, Senate Majority Leader Robert Dole (R-Kan.) even maneuvered to get Republicans recognized first to offer the amendment to restore the social security cuts so that Senate Democrats wouldn't get all the political credit.

But Dole and other Republican leaders made clear their intent to try to put most of the original budget package together on a final vote—nullifying many of the changes made through floor amendments.

That's what the AFL-CIO warned about in a letter putting senators on notice that an end-of-the-debate package erasing many of the amendments would be considered the "key" budget vote on labor's congressional scorecard.

Executive Director William R. Hutton of the National Council of Senior Citizens said the social security vote reflected "the efforts of hundreds of thousands of older people across the nation."

But Hutton, too, warned of the possibility of a final passage package and of the still-alive threat of cutbacks in Medicare and other "survival" programs.

The Senate budget debate was still in its early stages when the AFL-CIO News went to press.

President Reagan had opened the campaign for his budget plan with a televised speech that won applause for the performance but apparently failed to generate the response Reagan sought. He had urged

Continued on Page 4

## Rubber Workers contracts set pattern for tire industry

Akron, Ohio—The Rubber Workers reached tentative agreement with a second major tiremaker, Goodyear Tire & Rubber Co., after concluding a pattern-setting accord with B. F. Goodrich Co.

The agreements left only Uniroyal Inc. and Firestone Tire & Rubber Co., the other major tiremakers yet to settle with the union.

Originally, URW had targeted Goodyear for a pattern settlement. When talks bogged down, the union switched the focus to Goodrich.

The Goodyear contract, like the Goodrich pact, would raise the hourly rates by 25 cents immediately, 10 cents in the second year and 8 cents in the third year, while retaining a quarterly cost-of-living adjustment based on a formula that raises hourly wages 1 cent for each .26 rise in the government's consumer price index. Assuming a 5-percent inflation rate, the formula would yield $1.89 per hour over three years.

The Goodrich agreement, reached on Apr. 26 and approved by the URW's 15-member tire advisory committee, covers 7,200 workers in five plants. The union said ratification votes should be completed at plants in Fort Wayne, Ind.; Miami, Okla.; Oaks, Pa.; Tuscaloosa, Ala.; and Akron by May 10.

The tentative Goodyear pact covers about 16,000 hourly workers at 12 plants across the country.

URW President Milan Stone said the Goodrich agreement "meets the union's objectives for 1985 and the next three years. At the same time, the agreement reflects a meaningful and realistic attitude in labor-management relations."

Pension benefits improved from $16.50 to $20 per month per year of service, while current retirees will get a 50-cent increase in the benefit formula.

A health care cost containment program negotiated between the URW and Good-

Continued on Page 4

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5/4/85




Connecticut AFL-CIO's Betty Tianti lobbies home-state Sen. Lowell Weicker with an assist from federation Legislative Rep. Peggy Taylor.

# Northeast unions see damage in Labor Dept. office closings

New England as a region and Connecticut as a state will be hurt if the Labor Dept. goes ahead with its announced plan to eliminate three regional offices, Betty L. Tianti testified before a Senate Appropriations subcommittee.

Tianti is secretary-treasurer of the Connecticut AFL-CIO and the subcommittee is headed by her state's senior Republican senator, Lowell P. Weicker, Jr. Her testimony had the endorsement also of the Northeast AFL-CIO council, made up of the six New England states plus New York, New Jersey, Pennsylvania and Maryland.

Elimination of the Boston-headquartered New England region of the Labor Dept. was one of the proposed cutbacks that Tianti testified against. It would add program services affecting some 6 million New England workers to an already overburdened New York regional office, she protested.

Tianti spoke of regionally administered programs involving job training and placement, OSHA safety and health education, and programs keyed to such needs as a Women's Bureau project to improve career opportunities for Indian women.

"Will all the services provided by the Boston regional office now be handled by telephone or mail out of the New York office, with additional time delays?" she asked.

Tianti also stressed in her testimony the labor movement's opposition to a proposed reduction of $119.5 million in funds for dislocated worker programs under the Job Training Partnership Act and a $100 million reduction in the JTPA summer youth employment and training program.

She cited as evidence of the need for these programs the Bureau of Labor Statistics report that 5.1 million workers had lost their jobs because of plant closings or heavy layoffs over a five-year period, the extremely high unemployment rate among black teenagers, and the job-destroying impact of the nation's huge trade deficit.

If funds already appropriated are rescinded, Tianti testified, Connecticut's United Labor Agency will be cut 70 percent. The ULA, she reminded Weicker, "provides information and counseling services to victims of job dislocation" plus follow-up services to dislocated and disadvantaged workers. It provides skill training and job hunt guidance to workers whose previous jobs have been wiped out.

# OSHA reinstates noise rule, court slates rehearing

The Occupational Safety & Health Administration has ordered its field offices to resume full enforcement of the hearing conservation amendment to OSHA's noise standard following an appellate court's decision to rehear the case in which the amendment was struck down.

The 4th U.S. Circuit Court of Appeals in Richmond granted OSHA's petition for a rehearing by the full court. A 2-1 decision by the court last Nov. 7 overturned the amendment, holding that OSHA exceeded its authority by requiring employers to protect workers from hearing loss that could be caused in part by sources outside the workplace.

OSHA's noise standard limits worker exposure to 90 decibels (db) averaged over eight hours. The amendment provides that when exposures reach 85 db, a number of provisions must be implemented with respect to monitoring, hearing tests, use of hearing protectors and training and education.

## 5.1 million exposed

The amendment, issued in March 1983, is aimed at reducing work-related hearing impairment for the estimated 5.1 million workers exposed to noise levels in excess of 85 db.

After the three-judge panel overturned the amendment, OSHA suspended enforcement of the hearing conservation program. It petitioned the appellate court for full review after being pressured by organized labor to do so.

If the ruling that killed the amendment were to go unchallenged, it could have a chilling effect on all other OSHA regulations, said Alice Suter, a former OSHA scientist who directed development of the amendment.

"How could you tell the difference between chronic lung disease from cotton dust or smoking? Or how can you tell the difference between occupational and non-occupational asbestosis?" she asked.

## SEIU charges bias

# Pay equity complaint filed in Los Angeles

Los Angeles — The Service Employees, in one of the largest pay equity complaints filed with the Equal Employment Opportunity Commission, charged that Los Angeles County is "deliberately maintaining sex and race segregated job classifications and is discriminating in compensation paid to its female and minority employees."

The complaint joins two other pay discrimination actions the SEIU is pursuing in this state—one against California, the other against San Francisco.

SEIU President John J. Sweeney said at a press conference here that the EEOC complaint centers on a pattern of discrimination against county workers on the "basis of sex, race and national origin in wages, hiring, promotions and other terms and conditions of employment" that is "undeniable."

Discrimination in county jobs is clear, Sweeney said, as "evidenced by job classifications so rigidly segregated by race and sex that five out of six county workers are in jobs that are either 70 percent or more female or 70 percent or more male. This segregation did not happen by chance."

## 40,000 affected

The legal action, which may affect 40,000 of the county's 60,000 employees, was filed by 11 SEIU members, the international union and SEIU Locals 660, 434 and 535.

An SEIU study of pay records supplied by the county showed that white-dominated jobs pay an average 32 percent more than minority-dominated jobs and that male-dominated jobs pay 21 percent more than female-dominated jobs—for occupations that require the same amount of education and experience.

"The result is devastating," Sweeney said. "Black and Hispanic men and white women earn about $7,000 less per year than white men who work for the county in comparable jobs. And then we drop down another $3,500 a year to the average wages of Hispanic and black women who suffer doubly from race as well as sex discrimination."

## Deadline for action

The union's complaint, filed Apr. 29, must be addressed by the EEOC within 180 days. If the agency fails to act, the union then may file a lawsuit in federal court.

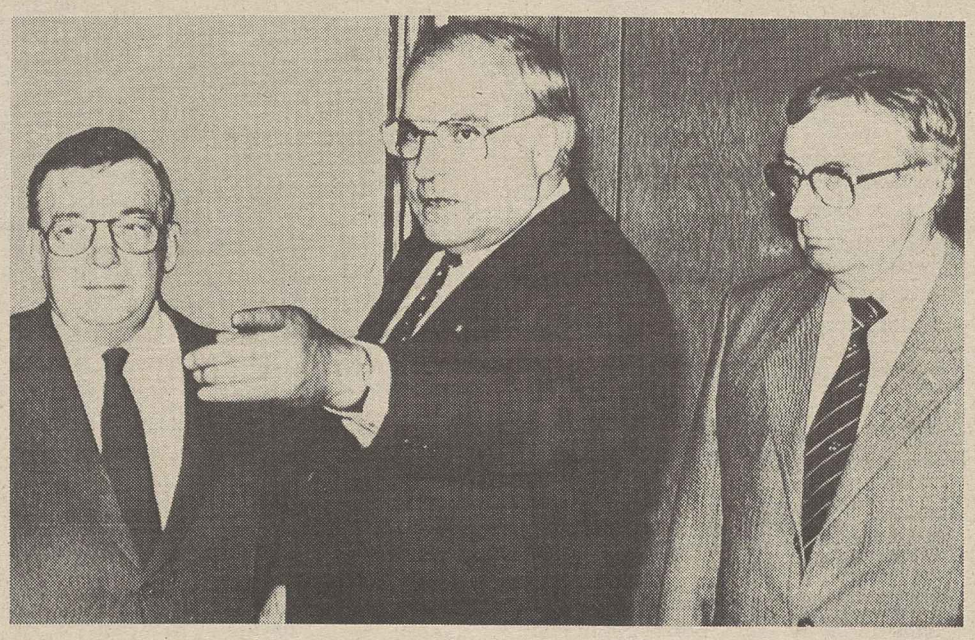
Labor lawyer Winn Newman, a pay equity specialist, is representing the union in the Los Angeles case, as well as in the state suit by SEIU-affiliated California State Employees Association. He charged that the government approach to such cases is "to immediately label these cases comparable worth and then not to investigate."

The CSEA suit was filed on behalf of 39,000 state workers last November, charging that women in female-dominated jobs are paid less than workers in male-dominated jobs. U.S. District Court Judge Marilyn Hall Patel last month rejected the state's request that the case be dismissed. Newman also represented the workers in the historic comparable worth case won by the State, County & Municipal Employees against the state of Washington.

## Not there yet

Rasheedah Shahdid, a SEIU member and unit secretary at Bay Harbour Hospital, told reporters the workers have drawn the line. "It's been 20 years since federal laws were passed to end discrimination, and we aren't there yet," said Shahdid, who is one of the 11 individuals to file the EEOC complaint. "The kind of discrimination we see hides behind ingrained practices, job classification inequities, blocked career paths, subtle hiring practices and double pay standards."

In late April, San Francisco Mayor Diane Feinstein's veto of a $28-million pay discrimination adjustment package for city workers was overridden by the city's Board of Supervisors. The board passed a resolution in February urging action to implement comparable worth. The city's 7,000 workers who are members of SEIU Locals 790, 250 and 535 will receive the money over the next two years.



## Summit time

AFL-CIO President Lane Kirkland and Chairman Ernst Breit, right, of the West German Labor Federation (DGB), meet with Chancellor Helmut Kohl in Bonn prior to the annual economic summit conference of major industrialized countries. Kirkland, Breit and other representatives of the Trade Union Advisory Committee of the Organization for Economic Cooperation & Development spelled out TUAC's proposals for leaders of West Germany, France, Britain, Italy, Japan, Canada and the United States. TUAC stressed the need to solve the growing problem of unemployment in many of the 24 OECD countries.

# Building trades create trust fund for safety plans

A national labor-management safety trust has been set up by the affiliates of the AFL-CIO Building & Construction Trades Dept. to assume the funding of cooperative safety programs that will soon lose their government money.

Establishment of the trust fund by the BCTD Safety & Health Committee "is the most significant act the building trades has done" since working for enactment of the Construction Safety Act in 1969, BCTD Safety Director Jim Lapping said.

There are 26 cooperative safety programs currently, Lapping said, including four under the Occupational Safety & Health Administration's "star" program, which exempts firms with good safety records from inspections. The fund is the solution to the end of federal financing for the projects, he said.

## Enormous potential

Lapping predicted that by the end of the year some 20 contractors' projects will be committed to the fund and within five years most union contractors will have joined. The potential for the fund "is enormous," he said, suggesting that it could reach $40 million.

The trust will be administered in Washington. An equal number of trustees from labor and management, to be chosen in the next few months, will monitor the program and sponsor safety seminars.

Project agreements by local building trades councils and contractors will be submitted to the trust for approval. Contributions, ranging from one to five cents per man-hour worked, will be based on the number of workers and the type of program set up.

The BCTD safety committee noted that current programs have meant savings for participating contractors by reducing the number of accidents and workers' compensation claims. Lapping pointed out that the average cost of a lost-time injury in construction is $32,400 with some half-million injuries occurring each year.

# Senate panel clears bill on Conrail sale

Debate on the government's plan to sell Conrail to Norfolk Southern Corp., stepped up on Capitol Hill as both Senate and House panels scrutinized the proposed $1.2-billion transaction.

The Senate Commerce Committee approved a bill permitting the government to sell its interest in the freight line by a 12-to-5 vote. The measure now goes to the Senate floor, where Republicans plan to include it in the budget reconciliation process.

A similar bill came up for a second hearing of the House Energy & Commerce transportation subcommittee, which took testimony on the proposed sale from Treasury and Justice Dept. officials.

Rep. James Florio (D-N.J.), who heads the subcommittee having jurisdiction over the legislation, said he intends to fight the move to make the Conrail legislation part of the budget reconciliation process, saying it was not intended to be used for a bill such as the Conrail sale.

In reporting the bill out, the Senate Commerce Committee adopted two labor protection amendments offered by Sen. Wendel Ford (D-Ky.). One would give workers whose jobs were eliminated because of the sale of the first right of hire for vacancies opening on Norfolk Southern rail subsidiaries, except those jobs covered by voluntary or required affirmative action plans.

### Seniority rights

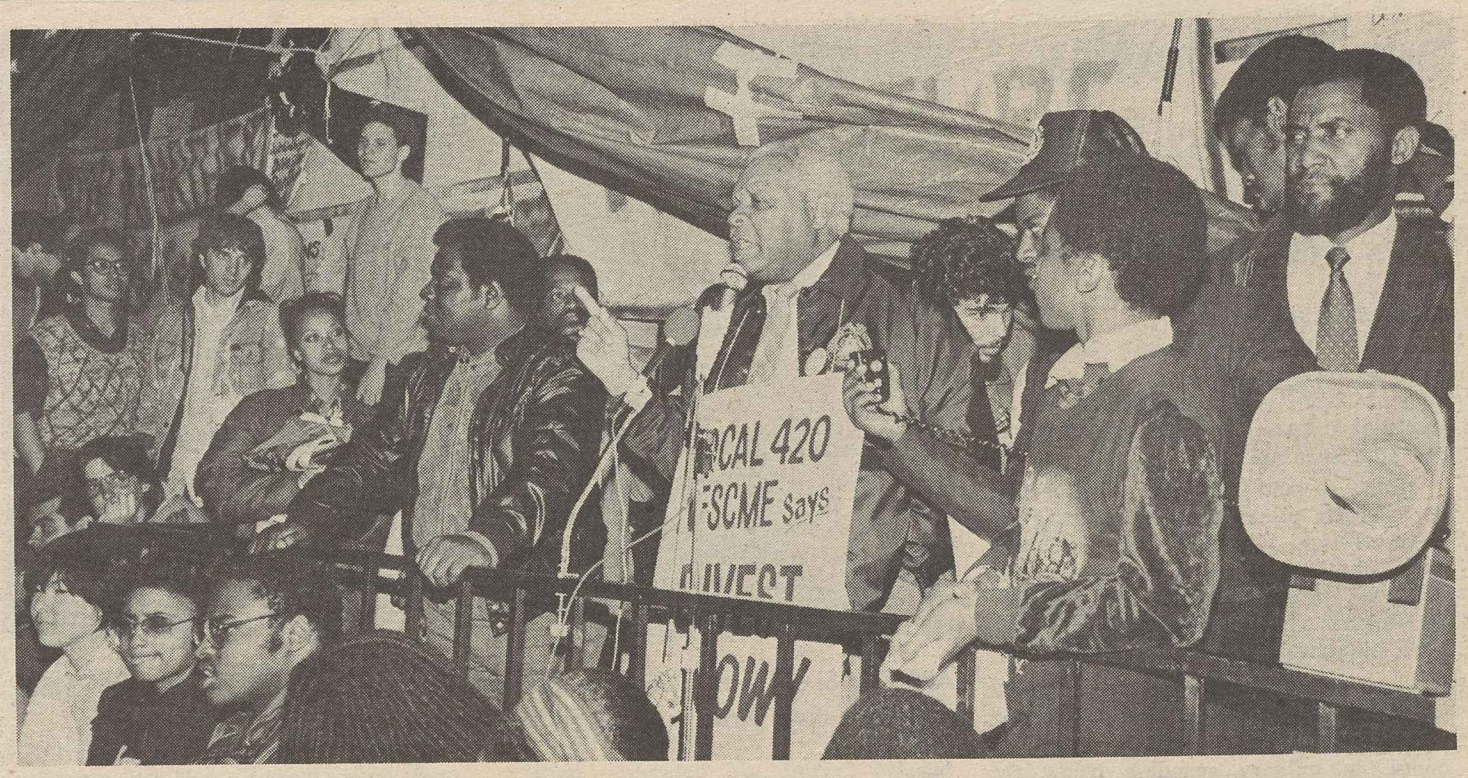
The other amendment would give laid-off employees a first right of hire at Norfolk Southern without regard to their previous craft or class, and allow them to retain their seniority rights to return to their original craft or class when a vacancy occurs.

Conrail was formed from the bankrupt Penn Central in 1976. The government owns an 85-percent interest in the freight line, which lost money for years until it turned a profit in 1983. Conrail employees own 15 percent of the railroad.

### Conventions

The Colorado AFL-CIO 1985 convention will be held in Denver Oct. 3-4.

The Alabama AFL-CIO will hold its 1985 convention in Montgomery Oct. 14-16.




# Students protest apartheid

State, County & Municipal Employees Local 420 President Jim Butler tells students at a Columbia University rally that the school's administrators should divest holdings in firms that continue to conduct business in South Africa. Two busloads of Local 420 members attended the rally to protest South Africa's racist policies.

# *Firings of South African strikers called setback to peaceful change*

The dismissal of 15,000 black workers at the world's largest gold mine after a series of strikes for higher wages was "an act of provocation that can only fuel the unrest and deepen the alienation" of blacks throughout South Africa, AFL-CIO President Lane Kirkland warned.

In a cable to the director of the Anglo American Corp., in Johannesburg, Kirkland charged that the action "sets back the prospects for peaceful democratic change" in South Africa.

"Such change cannot occur without full recognition of the trade union and human rights of black workers," he observed.

Kirkland's cable, and a similar protest by the Brussels-based International Confederation of Free Trade Unions, charged that the dismissals violated accepted international procedures for settling disputes, disrupting fair labor-management relations.

The firings occurred at Anglo American's huge Vaal Reefs mine, 65 miles southwest of Johannesburg, where workers represented by the National Union of Mineworkers were attempting to negotiate a 10-percent increase in pay, which now averages $160 a month.

The dispute served to heighten mounting black dissatisfaction with social and economic conditions under South Africa's racist regime, and added to the growing international pressure for the Botha government to end the apartheid system of segregation.

### Annual output

The Vaal Reefs complex is the biggest gold mine in the world with an annual production of about 82 tons.

Mass dismissals are not unusual at South African gold mines, but the Apr. 26-27 layoffs were the most extensive yet.

In a separate development, police detained at least 30 black labor activists in central Johannesburg during a peaceful demonstration to protest layoffs in the metal industry.

Armed police confronted demonstrators from the Metal & Allied Workers' Union outside City Hall, and hauled away at least 30 of them in vans. The demonstrators had earlier accompanied union negotiators meeting with metal industry employers' association.

The demonstrators carried placards that read "Stop retrenchments," and "We demand a living wage."

Meanwhile, the House Foreign Affairs Committee voted 26-6 to impose economic sanctions against South Africa to pressure the Pretoria government into ending its racist policies.

The measure adopted by the Democratic-controlled panel calls for new restrictions on U.S.-South African trade, a prohibition on new investments and bank loans and the suspension of the sale of South African gold coins.

A watered-down Republican alternative to set up a commission to investigate conditions in South was rejected by a vote of 19-4.

The Reagan Administration is opposed to the stiff Democratic sanctions.

The firings at Vaal Reefs and the dismissal of another 2,200 black miners by Anglo Vaal Co. in Hartesbeesfontein came as nearly 60,000 blacks joined in mass funerals for 26 persons killed in racial rioting last week in Cape Province.

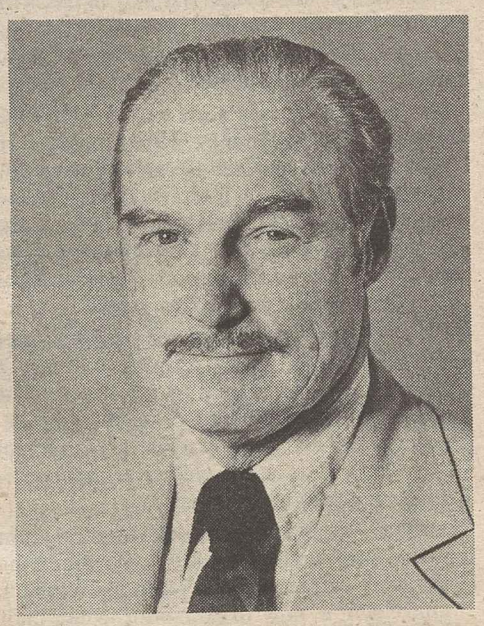
The black National Union of Mineworkers, formed less than a year ago, called work stoppages and slowdowns after Anglo American offered a 10-percent wage increase to black supervisors but not to other black workers.

# *William Lindner dies at 65, transport union president*

New York—William G. Lindner, president of the Transport Workers since 1979, died of a stroke May 1 at the TWU headquarters here. He was 65.

Lindner was the third president of the TWU in its 50-year history. He succeeded Matthew Guinan, who is now president emeritus.

Under the union's bylaws, Executive Vice President John D. Lawe will serve as president until the TWU convention elects a successor in September. Lawe is also president of New York's TWU Local 100.



William G. Lindner

In a message to his family, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said Lindner devoted his life to battling for workers.

"His leadership and service enriched a great many lives, not only among TWU members but far beyond their ranks," they stressed.

Lindner joined the TWU in 1946 while working as a mechanic for American Airlines in Chicago and helped organize Local 512. He became the local's first president in 1947.

He was elected to the union's executive board in 1948 and moved to the TWU headquarters in 1951 as assistant director of the air transport division.

He became an international vice president in 1968, air transport director in 1973 and executive vice president in 1978.

Lindner also headed the union's education and safety department when it was established in 1976.

He was a vice president of the AFL-CIO Industrial Union Dept. and a general council member of the International Transport Workers Federation, the worldwide trade secretariat.

Survivors include his wife Lorraine and four children.

# Soaring foreign trade deficit underscores need for remedy

**Continued from Page 1**

production gains will be limited by higher imports and flat export sales," Baldrige told reporters. "This drag on the economy would be moderated by reducing the budget deficit, lowering barriers (to American exports), and by stronger growth abroad."

During the January-to-March period of this year, imports have risen substantially in telecommunications equipment, industrial machinery, chemicals, footwear and clothing.

The overvalued U.S. dollar makes American products more expensive in other countries and lowers the price of imports, making them more attractive to Americans. The dollar has increased 17 percent since March 1984 and 78 percent from is low point in July 1980.

Oswald observed that this rapid appreciation of the dollar has been "a major factor in America's international decline." He noted that the dollar is now some 80 percent higher against the currencies of major developed countries than five years ago.

"This is no different than an 80 percent tax on exports and an 80 percent price advantage for imports, and is causing U.S. manufacturers to relocate production overseas, further increasing U.S. job losses," he pointed out.

Beside congressional action to correct the dollar exchange rate and update U.S. trade laws, Oswald urged enactment of industry-specific legislation for clothing and textiles, telecommunications, footwear, and other import-battered industries.

Oswald said "the continuing hemorrhaging" of the country's international economic position "clearly points to the failure of the Reagan Administration's policy of benign neglect."

Over the first quarter of the year, the nation's bilateral trade deficits increased 30 percent with Japan, 23 percent with western Europe, and 29 percent with Taiwan when compared with the same period last year.

# Senate balks at cutback in social security

**Continued from Page 1**

listeners to tell their senators "by phone, wire or mailgram that our future hangs in the balance" and not to let the budget get "picked apart, piece by piece, by special interest groups."

Merely to hold the GOP ranks together on a largely procedural vote to bring the latest version of the budget resolution before the Senate, Republican leaders had to agree to modifications and promise that further changes would be made. Even then, the margin was a bare 50-49.

After the social security vote, the GOP leadership was working toward a further "compromise" that would hold the increase in military spending below the budget resolution level.

Democrats, meanwhile, were preparing a package of major amendments when the tight rules under which the budget is being debated give them a turn to seek changes.

The House Budget Committee is still in the process of drawing up its version of the budget. And if Congress does finally complete action, it will then be necessary for the various committees to shape programs in their jurisdictions to the new budget ceilings.

There's a theoretical timetable for each stage of the process, but it has seldom been met.

# Economic index continues to fall, forecast gloomy

**Continued from Page 1**

1984. The leading indicators have not risen for three consecutive months since last May.

The new downturn reinforced concerns analysts raised earlier last month when the government reported the economy grew at an anemic 1.3-percent pace in the first period, as measured by real gross national product.

The first-quarter decline compared with a 4.3-percent climb in real GNP in the last three months of 1984.

Seven of the 10 indicators available for March contributed to the decline in the composite index. Led by a slowdown in the formation of new businesses, they included a decline in orders for factory equipment and a similar decline in orders for consumer goods.

Vendor deliveries also speeded up, which shows up as a negative influence by suggesting demand is falling. Raw materials prices went down, also considered a negative for the same reason. The average of 500 common stock prices edged lower and the money supply contracted.

On the positive side were three indicators: an expansion in the length of the average workweek, an increase in the number of building permits, and fewer new claims for unemployment insurance.

However, in early April, the Labor Dept. reported the number of new claims for state unemployment insurance benefits totaled 408,000 for the week ended Apr. 13. The last time the number of new claims rose above the 400,000 mark was a month earlier in the week ended Mar. 9.




AFL-CIO Sec.-Treas. Donahue with LID Board Chairman Tom Kahn, center, and Executive Director Arch Puddington at awards luncheon.

# *Donahue cites labor's role in battle for human rights*

New York—American labor's assistance to free trade unions around the world will continue wherever and whenever workers are struggling for their basic human rights, AFL-CIO Sec.-Treas. Thomas R. Donahue declared in accepting the League for Industrial Democracy's annual award.

Donahue told a luncheon gathering that in every nation in which LID and the U.S. labor movement are helping unions and their members attain and preserve free trade unionism—in Chile, El Salvador, the Philippines, Nicaragua, South Africa—the involvement is for the same reasons.

"Why are we concerned, and why is LID concerned? Because we are members of the only human race there is, and each of us has a responsibility toward every other human being, and especially toward those who, like ourselves, work for a living and who want, like ourselves, a better world and a more rewarding life for all."

At the same time, Donahue said, "we are exercising that responsibility to protect ourselves—because unless all are free, then none can be secure in their freedom."

### Personal efforts

The award was made at LID's 89th award presentation. The organization, which seeks to further democracy and trade union rights here and abroad, gives its award annually for a person's contribution to the expansion of worker rights.

Testimonies to Donahue's contributions to the cause of workers around the world came from Service Employees President John Sweeney, former Labor Sec. John T. Dunlop, and Johanes Maloka, a branch secretary of South Africa's black trade union, the Steel, Engineering & Allied Workers.

Maloka credited the U.S. labor movement for making possible the independent black labor movement's struggle against apartheid, or racial discrimination, in South Africa.

"Democracy—in the world and on the job—and a full understanding of freedom of association not as a frill but as the indispensable base underpinning the human rights are what we seek both here and abroad," Donahue said.

### Aiding the oppressed

Helping workers press against governments which seek to restrict or control or crush their trade union organizations has never been a popular pursuit among those whose chief interest is to monopolize power, Donahue noted.

"So I see no reason to think the work we share with LID will be popular in the future," he said.

"But the meatpacker in Iowa, the copper miner in Arizona, and the bus driver in New York remain the people who can, given the opportunity, make their own decisions—thank you very much.

"Unlike their brothers and sisters in Poland, they will press forward to make those decisions and exert their will in a society in which there are no tanks in the streets."

Donahue pledged that American unions will be no less vocal in the future than they have been in the past in demanding that workers have the right to live and grow and pursue their daily interests in a free society.

Previous winners of the LID award have included George Meany, Dunlop, former Labor Sec. Ray Marshall and the late Sen. Henry Jackson (D-Wash.).

# Union women mark gains at ICFTU session

Madrid — The number of women in paid employment has increased over the past few decades the world over, and so has women's membership in trade unions. But how are they treated?

The fourth World Women's Conference sponsored here by the International Confederation of Free Trade Unions concluded after three days of meetings that progress, while much too slow, is being made toward equality for women.

The movement toward that goal in the United States is being looked upon with hope by women in every nation, AFL-CIO Vice President Joyce Miller reported following the four-day meeting.

Miller, a vice president of the Clothing & Textile Workers, led a 10-member delegation of U.S. women unionists to the conference, and served as a member of the governing presidium. The themes of this year's meeting were "Equality, Employment, Development, Peace, and International Cooperation."

### Full agenda

Some 400 women representing labor organizations affiliated with the ICFTU were delegates to the meeting. The agenda focused on speeding the integration of women into trade unions and updating the confederation's Charter of Rights of Working Women.

Delegates approved four major resolutions, including one titled "Women and Work: A Strategy for Employment & Development," which declared that "equal opportunity in employment is a fundamental right for all women." It said "realization of this right can help the world to eliminate the twin scourges of unemployment and poverty."

The conference urged the ICFTU to give special emphasis to the plight of black women in South Africa in its support program to the independent black trade union movement in that country. They are at the bottom rung of the economic ladder both because of the color of their skin and because of their sex, it said.

U.S. delegates besides Miller were AFL-CIO Vice President Barbara Hutchinson from the Government Employees; Flight Attendants President Linda Puchala; Ladies' Garment Workers Vice President Evelyn Dubrow; Pat Stryker of the Teachers; Women's Affairs Director Pat Scarcelli of the Food & Commercial Workers; Dina Beaumont, executive assistant to the Communications Workers President; Auto Workers Vice President Odessa Komer, Irene Carr of the State, County & Municipal Employees, and Gloria Johnson, education and women's affairs director of the Electronic Workers.

# Judge finds desk firm abused strikers

Jasper, Ind.—The Furniture Workers gained ground in their three-year battle with Indiana Desk Co. with a ruling that found the company and its hired security guards guilty of assaulting and intimidating UFW strikers.

The decision by a National Labor Relations Board administrative law judge upheld charges filed by the UFW against Indiana Desk and Command Investigations Bureau after Local 334/236 struck the furniture manufacturer in March 1982.

ALJ James T. Youngblood cited the firms for "threatening employees by a display of weapons, attack dogs and a martial arts performance by security guards."

Youngblood also found numerous instances of violent assault and harassment of workers, and that supervisors and guards "threatened to kill" one employee, tried to force a second worker's vehicle off the road, and threatened to run over workers at the carpool area. He also found that a security guard supervisor "attempted to provoke the union's representative into a fight."

Both Indiana Desk and Command Investigations were ordered to post 60-day notices stating they will refrain from further violations of the law.

### Union upheld

UFW President Carl Scarbrough said the judge's ruling reaffirmed the union's position.

"Indiana Desk and its security guards were guilty of violent assaults and death threats against our members who had been working hard to come to an agreement with the company through peaceful negotiations," Scarbrough said. "The company's response to negotiation was violence, a clear violation of the law."

However, the judge did not agree with the union's charge that Indiana Desk had refused to bargain in good faith. That decision will be appealed to the full NLRB.

Indiana Desk has been on the AFL-CIO boycott list since May 1982. Some 170 workers were forced to strike after the company refused to bargain. It had stalled negotiations until four days before the contract expired, then proposed taking away pension and insurance plans and the right to grieve on incentive rates.

Production and maintenance employees worked nearly three months without a contract before voting to walk out. The company's bargaining strategy was designed by an Indianapolis management consulting firm and included armed security guards and attack dogs.

UFW members are still manning the picket lines, and the NLRB has ordered the company to recall about 30 union workers. The UFW is now organizing the workers. Scarbrough expressed optimism that "we'll win the war."

# Rubber Workers reach tire accords

**Continued from Page 1**

rich in March, Uniroyal in February, and Goodyear this week maintains current benefit levels without increasing the amounts of the deductibles or the size of copayments. The program requires cost-saving procedures such as second opinions, central distribution of prescriptions, and outpatient care.

Other improvements were made in supplemental unemployment benefits, sickness and accident insurance, life insurance, survivor benefits and other items, Stone said.

URW contracts with the Big Four tire producers expired on Apr. 20 and the members have been working on a day-to-day basis since. Goodyear is the largest employer with 16,000 URW members, followed by Firestone with 8,500, Goodrich with 7,200 and Uniroyal with 4,000. A pattern agreement reached with the Big Four will likely extend to the smaller tire companies, the union said.

# Brock calls for better union-employer relations

By David L. Perlman

William E. Brock used his first public appearance as Secretary of Labor to send a message to union-busting employers that the future lies with companies that follow "progressive labor policies."

He urged "less partisan rhetoric" and greater labor-management cooperation toward making American goods more competitive—without wage-cutting.

Brock told a National Press Club audience that American workers "shouldn't have to compete on wages" if the United States stays competitive in productivity and technology.

His nationally broadcast address carved out three basic principles that Brock insisted must be immune from challenge in this or any future Administration.



Labor Sec. William E. Brock sets new course.

## Settled issue

Collective bargaining is one such "settled issue," Brock said. He termed it "a fundamental and essential right for working men and women."

There can be no turning back on equal opportunity in the workplace Brock affirmed. That, too, is "a settled issue."

Likewise, he said, America's workplaces must be kept "free from avoidable risks of health and safety." That obligation is "settled policy" even though there remain differences on how best to assure it.

Brock was confirmed by the Senate on Apr. 26, unanimously and with expressions of goodwill from Republicans and Democrats alike. He has been the U.S. trade representative for the past four years. Earlier, he was Republican national chairman after having served as both a senator and congressman from Tennessee.

Brock takes over a Labor Dept. that has been rudderless for most of the past year. Its former secretary, Raymond J. Donovan, faces a criminal trial in New York and had been on leave of absence for some six months before his resignation in March.

During President Reagan's first term, the department's role as an advocate of workers had in many cases been reversed by appointees with anti-union backgrounds who were hostile to programs they were supposed to enforce.

## Understanding needed

When the Senate took up Brock's confirmation, Sen. Edward M. Kennedy (D-Mass.) explained why he welcomed Brock's appointment. "Reasonable people can and will disagree" on issues, Kennedy said. "But before we can begin to debate, we need a new Secretary of Labor who understands the issues and is committed to enforcing the laws he is sworn to administer."

Brock used similar language in his address to the Press Club.

There will continue to be differences between the Administration and its critics, Brock noted. But he looks on politics as "a healthy conflict of ideas." All differences don't have to be papered over. "We don't have to agree; we do have to talk."

Brock reiterated his support for the Administration's proposal for a subminimum youth wage—a position that puts him in conflict with the trade union movement.

It's not "the ultimate solution to the teenage unemployment problem," Brock acknowledged. But he said he's strongly convinced that it is "worth trying."

In this and in other areas of differences, Brock said, persons on each side of the issue should make an effort to understand why those who differ "seem to feel so strongly that we're wrong when we feel with just as much certainty that we're not."

## Strong dollar

Brock reiterated his opposition to what he termed "protectionism" but concurred in the viewpoint that there is a limit to what labor and management cooperation can achieve in a market in which the exchange rate of the dollar puts American goods at such a disadvantage.

He said a reduction in the federal deficit to bring down interest rates is an essential part of the solution.

Brock disagreed with labor critics who say existing trade laws aren't being fully enforced, but he acknowledged the imbalance of the present structure. He said he favored new trade talks, but not with the intent of making further U.S. concessions.

"We have nothing more to give" in trade negotiations, Brock said. The United States has already opened its doors to world trade, "but we're the only one that has."

## Market access

The bargaining chip, Brock suggested, is that the United States can "take away" access to its home market if other countries don't make needed concessions.

Brock stressed his belief that an array of interrelated measures are needed to make the United States an effective competitor, including upgrading education and training programs, reshaping tax policies and discarding both "sloppy management and unproductive work rules."

He praised a provision in the Auto Workers contract with General Motors that earmarks a nickel an hour for job retraining. That small amount adds up to a $50 million investment, Brock noted.

"Companies with progressive labor policies are showing their competitive strength through increased productivity and better labor-management relations," he said.

"That means a better product at a better price. That means a sound future," he stressed.

Within the Labor Dept., Brock filled a vacancy as deputy under secretary for labor-management relations with a veteran union attorney, Stephen Schlossberg. The post involves encouragement of cooperative union-employer programs as well as overseeing worker protection provisions of various laws.

# OSHA chief's stock holdings examined by U.S. ethics office

Conflict-of-interest allegations against OSHA Administrator Robert A. Rowland continued to mount, and the Office of Government Ethics announced that it has begun a formal "review."

At issue is the link between Rowland's actions as head of the Occupational Safety & Health Administration and his extensive stock holdings.

The most recent example is Rowland's controversial decision not to adopt a federal standard requiring large farm employers to provide toilets and washing facilities for their field workers. Rowland's holdings include a block of stock in Tenneco, Inc., whose agribusiness subsidiary owns more than 1 million acres of farm land in California and Arizona.

Rowland's financial statement shows him as the owner of stock valued at more than $1 million in chemical, pharmaceutical and other industrial companies that could be affected by OSHA decisions. He has personally participated in OSHA actions affecting companies in which he has investments exceeding $300,000.

House Education & Labor Committee Chairman Augustus F. Hawkins (D-Calif.) had asked the General Accounting Office to look into the conflict-of-interest issue, and the GAO in turn referred the matter to the government ethics office.

If a violation of the conflict-of-interest law is found, the ethics office could refer the case to the Justice Dept. for prosecution.

Rowland contends that a waiver granted by former Labor Sec. Raymond J. Donovan absolves him of strict compliance with the law.

When he took office last year under a recess appointment, which has not yet been confirmed by the Senate, Rowland put his stock holdings in a limited trust. Under its provisions, he would not make buying or selling decisions but the trustee would continue to inform him of his current holdings.

The waiver from Donovan reportedly allows Rowland to participate in broad policy decisions that might affect companies in which he holds a financial interest. But he is not supposed to take part in matters affecting a specific company in which he holds stock.

Among the issues are Rowland's role in OSHA policy regarding formaldehyde, benzene and ethylene oxide—all products made or used by firms in which Rowland holds stock.

An OSHA spokesman told the Washington Post that Rowland saw no conflict when he decided against the field sanitation standards because the decision would have "little or no impact" on the Tenneco stock price. It wouldn't affect the stock price "more than a penny," the agency official was quoted.

# Worst foot forward

**OSHA's top management has been accused of foot-dragging when it comes to establishing and enforcing occupational safety and health standards.**

**A group of high-level agency supervisors, attending a recent two-day "retreat" at a Williamsburg, Va., hotel, found the letters KATN prominently posted in their meeting room. The sign was a reminder of the advice from OSHA official James R. Meadows to "kick ass and take names."**

**Meadows, then a special assistant to OSHA Administrator Robert Rowland but promoted a few days later to the post of deputy administrator, was quoted as saying that OSHA management has to be more aggressive in getting rid of "troublemakers" and "lazy employees." As for civil service regulations, let the victims "hire an attorney and spend the next three years trying to get their jobs back."**

**Government Employees Local 12, which represents Labor Dept. employees, wasn't amused. It asked William E. Brock, the new Secretary of Labor, to investigate whether Meadows made the remarks attributed to him. If so, Local 12 President Michael Urquhart said, Meadows was "clearly advising other senior OSHA managers to violate the law" and should be removed from office.**

# Devine gets 'untangled' from OPM's payroll

Donald J. Devine left the payroll of the federal Office of Personnel Management, but he still hopes the Senate will confirm him for a second four-year term as OPM director.

Devine's term as OPM director expired Mar. 25, and his deputy, Loretta Cornelius, became acting director. The first thing she did was to hire Devine to a "temporary" $72,300-a-year job as her special assistant.

His nomination was left dangling when the Senate Governmental Operations Committee couldn't muster a majority for Devine, who had come under sharp attack for his active campaigning for right-wing Republican candidates while administering the career civil service. Devine's office was also the source of a "dirty tricks" memo proposing to set "union against union."

Devine said his resignation was prompted by the need to clarify the "tangled lines of authority" between him and his acting boss.

# Schlossberg gets Labor Dept. post

Stephen I. Schlossberg, a labor lawyer and former trade union organizer, has been appointed Deputy Under Secretary of Labor for Labor-Management Relations.

Schlossberg's appointment was the first major personnel action taken by Labor Sec. William E. Brock. The post involves working with cooperative union-employer programs, an area Brock said he hopes to encourage, and administration of worker protection provisions of various laws.

The first reaction came from the anti-union National Right to Work Committee. Its president, Reed Larson, said he was "outraged" and called on Brock to withdraw it.

Since 1981, Schlossberg has been a partner in a Washington labor law firm. Earlier, he had been government affairs director of the Auto Workers after having served as the UAW's general counsel.

For several years in the Kennedy Administration, Schlossberg was special assistant to the director of the Federal Mediation & Conciliation Service.

Schlossberg began as an organizer for the Ladies' Garment Workers in 1950 and became the southern organizing director during his four years on the ILGWU staff. He is a graduate of the University of Virginia and its Law School.

# Mark Starr dies at 90, ILGWU education head

New York—Mark Starr, retired education director of the Ladies' Garment Workers, died of pneumonia at Boulevard Hospital here Apr. 24. He was 90.

Starr began his career teaching miners in Wales before coming to the United States in 1928. He headed the ILGWU's education department from 1935 until his retirement in 1960.

Starr also served as president of Teachers Local 189 and was an adviser to numerous government education commissions.

Survivors include his wife Helen and one daughter.



CARE's Wallace Campbell, second from left, and Charles Sykes, right, receive labor's contribution from AALC Executive Director Patrick O'Farrell and AFL-CIO Community Services Director Frank Emig, left.

# Labor boosts Africa aid

Union members have responded generously to labor appeals for help for famine victims in Ethiopia and other drought-stricken parts of Africa.

In a January letter to union presidents, AFL-CIO President Lane Kirkland announced the African Drought Relief drive to aid the millions of Africans affected by the drought and channel American union assistance overseas. The relief effort was coordinated by the federation's African-American Labor Center. Donations from the AFL-CIO and 17 affiliates totaling $34,000 were presented to the Red Cross in February, and AALC Executive Director Patrick O'Farrell presented labor's "second installment" of $20,000 to CARE.

CARE has operations in 17 African nations and has been aiding victims in Ethiopia since October 1984, when that government agreed that CARE could monitor the distribution of food and supplies, according to CARE President Wallace Campbell. "Unfortunately, the drought in Ethiopia is matched by several other countries where famine is just as severe," he said. Campbell noted that both the AFL and the CIO were original founders of CARE in 1945 and labor has been a close ally since.

In a separate campaign, Postal Service employees have raised nearly $800,000 for famine victims through a combined labor-management mail campaign. Those funds were channeled to the Red Cross for its Ethiopia/Africa relief effort. The first installment of $415,000 was presented in December.

The drive was launched at a November meeting of Postal Workers President Moe Biller, Letter Carriers President Vincent Sombrotto, then-Postmaster Gen. William F. Bolger and other representatives from labor and management groups at the U.S. Postal Service.

# *Coke stockholders pressed on workers' rights policy*

Wilmington, Del.—Food unions at the Coca-Cola Co. annual shareholders' meeting called for a company policy resolution to protect human and trade union rights at all its subsidiaries and franchises.

The resolution, introduced by members of the Interfaith Center on Corporate Responsibility and supported by the North American affiliate of the International Union of Food & Allied Workers Associations (IUF), received 6.4 percent of the shareholders' vote. The company opposed it.

IUF General Sec. Dan Gallin said "Transnationals, such as Coca-Cola, have stringent control over operations of their their franchises and subsidiaries. They should have the same concern for the workers' rights in their plants."

He noted that such companies would "have us believe that franchise operations are independent from headquarters. As long as these companies derive profits from such operations, they must be willing to assume social responsibility for their employees."

Coca-Cola was targeted by the IUF because of trade union rights violations at its bottling plant in Guatemala, where eight union leaders either disappeared or were killed in the late 1970s. That plant reopened in February under a new owner.

The IUF in March had adopted a resolution calling for transnationals to adopt social responsibility clauses patterned after the 1948 United Nations Universal Declaration on Human Rights.

The North American affiliates of IUF includes the Bakery, Confectionery & Tobacco Workers, Machinists, the Oil, Chemical & Atomic Workers, the Food & Commercial Workers, the Hotel Employees & Restaurant Employees and the Retail, Wholesale & Dept. Store Union.

## Lazare Teper, 78, dies, economist for ILGWU

New York—Lazare Teper, research director of the Ladies' Garment Workers for 43 years until his retirement in 1980, died Apr. 25 at New York Hospital after a long illness.

Teper, who was 78, founded the union's research department in 1937.

He also served as a technical adviser to the Bureau of Labor Statistics and the Commerce Dept., as well as a U.S. labor representative in international trade negotiations.



## Human relations award

Service Employees President John J. Sweeney and newspaper columnist Art Buchwald were lauded by the National Conference of Christians & Jews for their "distinguished and outstanding contributions to improving human relations." The organization's brotherhood awards noted Sweeney's efforts on behalf of racial equity and the rights of women. Buchwald, known for his humorous columns, was cited for his contributions to worthy causes.

## At Wheeling-Pittsburgh

# Steelworkers file claim to protect pay, benefits

Pittsburgh—The Steelworkers moved quickly to protect the interests of members employed by Wheeling-Pittsburgh Steel Corp., which filed for bankruptcy in the biggest failure yet in the domestic steel industry.

The union filed a claim Apr. 22 in U.S. Bankruptcy Court in Erie, Pa., for $570 million to protect wages and benefits of 8,200 active workers and 10,000 pensioners of the company.

Meanwhile, the company's chief labor negotiator, Joseph Scalise, announced that Wheeling-Pittsburgh did not have the money available to meet a $60 million contribution to the USWA pension fund in the fall and would have to terminate the pension plan. The steelmaker said it would also seek to renegotiate its current contract with the union.

In either case, terminating the pension fund or renegotiating the contract, Bankruptcy Court approval would be needed.

If the company ended the $582 million pension fund, the federal government would be saddled with the largest single unfunded pension liability it has ever handled.

In the event of termination of the plan, the federal Pension Benefit Guaranty Corp., would be given the job of administering benefit payments. The agency guarantees pension plans against default if an employer has inadequate assets.

### Federal backing

The USWA pension fund has an unfunded liability of more than $200 million. While the plan is secured by the federal government, medical benefits and life insurance are not, and the union's filing in Bankruptcy Court seeks to protect workers' interests in those areas.

Wheeling-Pittsburgh's decision to file for bankruptcy came after the Steelworkers refused to go along with what the union described as an inequitable plan to restructure the firm's $514.6 million of total long-term debt. The union's objection was to a demand by the steelmaker's creditors for a lien on the company's $300 million of current assets (accounts receivable and inventories).

In an Apr. 16 letter to all of the company's employees, USWA District 23 Director Paul D. Rusen of the union's Wheeling-Pittsburgh Negotiating Committee explained:

"While we were negotiating sacrifices, they (the lenders) were making demands. The banks want a mortgage on the company's current assets—our only protection if a bankruptcy does occur. Such a mortgage is not a sacrifice—it is a fast shuffle.

"By demanding a lien on assets, the banks were demanding special treatment. . . . The choice was clear. However bad bankruptcy is now, we would be worse off if we tried to postpone it. Permitting the banks to get control of current assets would, in the next recession, guarantee a liquidation."

In a bankruptcy proceeding under federal law, a company tries to work out a payment plan acceptable to creditors. As bargaining agent for the employees, the Steelworkers represent Wheeling-Pittsburgh's largest unsecured creditor.

### Demanding bankers

Rusen said he was more upset with the company's financial creditors than with its management. Eleven banks were unwilling to go along with a proposal that asked for deferrals and forgiveness on interest and principal payments this year and next.

Wheeling - Pittsburgh, which operates nine plants in Ohio, West Virginia and Pennsylvania, is the largest industrial firm in the United States to fail in the past two years.

The Steelworkers already had helped the company through some difficult times by granting concessions in exchange for stock in the firm. It had agreed to a further $2 hourly cut in wages this year in exchange for stock and at least two seats on the company's board of directors.

In full-page advertisements in several newspapers, including the Wall Street Journal, the union pointed to these sacrifices, but was firm in its resolution that all parties must help on an equitable basis.

Rusen concluded his letter to workers by urging them to "hang tough" and "keep working."

"The union will continue to protect your rights if we all stick together."

# N.C. wage floor linked to boost in federal level

Raleigh, N.C. — The North Carolina legislature approved a labor-backed bill that would raise the state minimum wage to match any increase in the federal minimum wage up to $3.60 an hour between now and July 1, 1987.

The bill was described by State AFL-CIO President Christopher Scott as "a reasonable first step" toward a higher state minimum wage. The measure is effective Oct. 1.

Scott said the bill was drafted to keep the issue before the legislature as well as "to send a message to Congress that North Carolina is ready" for an increase in the federal minimum wage, now $3.35 an hour.

The bill ties the state minimum wage increase to the federal increase because "we are painfully aware that it is unlikely this legislature would go ahead of the federal minimum wage," Scott said.

The State AFL-CIO also is pressing for General Assembly enactment of a bill requiring employers to give advance notice of plant closings.

Scott said chances also are good that a "right-to-know" bill will be enacted into law during the current biennial legislative session. Under that measure workers would have the right to know of any dangerous chemicals or substances to which they are exposed on the job or which are being stored in their communities.

## Armour boycott

The Food & Commercial Workers boycott against Armour Food Co. only includes Armour hams, bacon and hot dogs that are produced by the Armour Processed Meat Co., not the more extensive list published in the Apr. 13 issue of the AFL-CIO News.

# EDITORIALS

## The Bottom Line

THE MESSAGE that the AFL-CIO sent to senators at the start of the budget debate was that it is the bottom-line vote that counts.

Votes cast for amendments to remedy some of the more blatant inequities in the budget proposal earn no thanks if the final version adopted makes only cosmetic changes.

The Republican leadership, beaten badly in the first test vote on social security cutbacks, speaks of compromises. But even in the best imaginable scenario for the budget resolution, there would be enormous compromises from the nation's needs.

At a time when unemployment and poverty are at historic heights, when health care and housing needs go unmet, when millions are still hurting from program cuts imposed by four previous Reagan budgets, merely continuing present levels of service would be a mighty compromise.

Yet those with less are again being asked to make new sacrifices.

As the AFL-CIO wrote to senators, the budget package "provides defense increases which are immoderate in the current fiscal context, and it uses the deficit as a pretext to knock down, disable or obliterate the bare remains of programs left from the budget battle of the past four years."

IDEALLY, a range of tax reforms that should be enacted in any event merely on the grounds of fairness would provide the revenue that would enable the United States to meet its domestic needs, its military defense needs, its humanitarian world obligations, and still make a start toward bringing down the deficit.

Realistically, there is one step of tax reform that has broad popular support and would enable Congress to avoid further damage to needed public programs without adding to the budget deficit.

That's a minimum tax on corporate profits. It is incredible that 65 companies with profits totaling almost $50 billion have been able under present tax laws to avoid paying any federal income tax.

## The Eternal Flame

THE FLAME of freedom can never be entirely extinguished, as oppressive governments the world over eventually discover.

Poland's rulers learned that lesson anew this past week, when more than 15,000 men and women marched through Warsaw behind the banners of the outlawed Solidarnosc trade union movement.

In Poland, Solidarnosc and the cause of freedom are inexorably linked in the public mind. And so Solidarnosc, long banned, remains a force to be reckoned with.

Its leaders have been jailed, granted amnesty, and jailed again. When needed, new leaders spring up.

May Day, a workers' holiday that has been perverted by Communist states, opens in Warsaw with a courageous priest taking as the text for a sermon the words of the International Labor Organization's convention proclaiming the right of workers everywhere to organize into unions of their choice.

In the modern world, the union banner increasingly is freedom's banner.

Behind the union banner, in South Africa's biggest gold mine, 15,000 black miners risk deportation and dismissal by daring to strike. In a separate incident, police "detain" 30 union supporters demonstrating support for their bargaining committee.

A continent apart, in nations vastly different in proclaimed ideology and economic structure, workers react the same way to the denial of freedom.

In Poland, it's called Solidarnosc.

We know it as solidarity, but in any language it stands for the same thing. It stands for freedom.




**Washington Window**

# Health of farm workers flushed away by OSHA

**By Press Associates, Inc.**

It seems like one of the toughest tasks in the history of public policy is to toilet-train agribusiness and its conservative political supporters.

Remember that scene at the end of the "Grapes of Wrath" film when the Joad family arrived at a government-sponsored rest camp and discovered the wonder of flushing toilets? Well, the growers put an end to that luxury pretty fast and had those camps shut down.

The more modest goal of migrant workers and their supporters in recent decades has been to win the right to toilets, handwashing facilities and drinking water in the fields.

For 13 years farm workers have been petitioning and suing the Occupational Safety & Health Administration for a field sanitation standard.

They have been given the runaround as agribusiness, bureaucrats and more recently the Reagan Administration blocked action.

The latest shocker occurred Apr. 12 when OSHA chief Robert A. Rowland announced that OSHA would not issue a sanitation regulation. Rowland used essentially a states' rights argument, claiming two-thirds of hired farm workers who would be reached by a federal rule are already covered by state rules, and that matters of public health are traditionally a state responsibility. Rowland also claimed budget stringency, saying OSHA's resources should be used for inspecting high-hazard worksites.

### An outrage

Charles Horwitz, who has led the fight by the Migrant Legal Action Program, Inc., on behalf of the National Congress of Hispanic American Citizens and farm worker groups, called Rowland's decision "an outrage."

Horwitz said MLAP agrees with the statement of Sen. Howard Metzenbaum (D-Ohio) that the refusal to require workplace toilets and handwashing facilities "is one of the most shameful decisions ever made in the Dept. of Labor."

MLAP noted that most states do not enforce sanitation standards. It also pointed out that two experts hired by OSHA strongly supported a federal standard.

Dr. Eugene Gangarosa of Emory University found that, compared to the general population, farm workers are 7 to 26 times more likely to contract parasitic diseases, 9 to 85 times more likely to suffer from diarrhea, three times more likely to have skin rashes and twice as likely to suffer heat stress.

### Overdue

Dr. Charles Levenstein of the American Public Health Association told an OSHA hearing on the issue that the fight for protection against life-threatening diseases and parasites should have been won in America. "In this day and age," he said, "the fight is supposed to be against cancer and heart disease, not hookworm, whipworm, and shigella."

MLAP also has argued that the costs to agribusiness would be relatively insignificant. The industry had gross sales of $260 billion in 1980, MLAP said. The cost to employers to provide toilets, handwashing and drinking water to some 500,000 farm workers under the proposed OSHA rule would have been $14.7 million a year or 55 to 73 cents per worker per day.

Common sense says that healthy workers and field workers toiling under a hot sun who are provided water would be more productive workers. Dr. Levenstein estimated the reduction of infectious diseases under a sanitation rule would increase productivity between $79 million and $120 million a year.

Rowland's action was no surprise to observers in the nation's capital. OSHA has been pretty well gutted during the tenure of ex-Labor Sec. Ray Donovan, who resigned to face larceny and fraud charges in New York. Rowland, a millionaire Texas attorney and former Reagan campaign official, put upward of $1 million in stock in a blind trust. His stock is mainly in companies like Tenneco, Monsanto, Exxon and Manville that would be affected by OSHA regulations.

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## From Folks Who Gave Us Jim Watt

After Jim Watt, no Reagan appointee could come as a shock, but Dr. Eileen M. Gardner sure was a surprise. She's the high-level appointee to the Department of Education whose views on programs for handicapped Americans caused a flap recently and led to her own resignation.

She resents, for example, special education efforts for handicapped children aided by federal funds. Before her appointment, she wrote in a paper for the Heritage Foundation that such special programs "selfishly drain resources from the normal school population and most probably weaken the quality of teaching."

She also opposes programs that integrate handicapped children into the regular classrooms.

Of the handicapped generally, she wrote for the Heritage Foundation that they risk becoming "ineffective malcontents" if they expect others to "bear their burdens and eliminate their challenges." Nobody has suggested this, nor has any program intended or done it.

One of her other statements was "the handicapped falsely assume that the lottery of life has penalized them at random."

After all this came out at a hearing and met with some heat, Dr. Gardner resigned. End of story? Yes. But it shouldn't be.

Few reporters pointed out that the Reagan government is chock full of folks who think like this one, not necessarily concerning the handicapped, perhaps, but concerning any group that benefits from a federal program.

A lot of these appointees come out of the Heritage Foundation or other groups in the right wing or religious right orbit.

Dr. Gardner, for example, though an appointee to the Department of Education, wrote for the Heritage Foundation, "The proper role of the federal government in education is no role. . . ."

One of the few commentators to see in the Gardner case a broader application to this Administration was Haynes Johnson, who wrote in the *Washington Post:*

**"This kind of appointment reveals a cast of mind that seems pervasive at the top levels of the Administration: that of true believers determined to impose their rigidly held views of God and society on the rest of public life. . . .**

**"If that's the kind of thinking that gets rewarded with high Administration posts, then we're witnessing nothing less than an attempt to return to the concepts of Social Darwinism and laissez faire in public life.**

**"Social Darwinism is the discredited cast of mind that permitted the robber barons to celebrate their crushing of the little people by claiming it was all the workings of God's immutable laws. In that reasoning, you measure success by the survival of the fittest. What counts is strength and power. Sink or swim. If you fail, it's your fault. Government and society have no obligation to help those in need or those who are weaker.**

**"Of course, that kind of political thinking went the way of the dinosaurs, but its reemergence fits in with the cross-currents . . . in Washington. . . ."**

As if to underscore the point, a few days after Johnson's comments, yet another Reagan appointee wound up in the news. She had edited a 1982 book that claimed American blacks "insist on preserving their jungle freedoms, their women, their avoidance of personal responsibility and their abhorrence of the work ethic."

The book attacks sociologists who "put blacks on welfare so they can continue their jungle freedoms of leisure time and subsidized procreation."

Other wisdom: Blacks "resent" the school system partly because "they find it humiliating that female teachers should instruct black males."

The Reagan appointee who edited the book is Marianne Hall, chairperson of the federal Copyright Royalty Tribunal, who says of the views expressed: "I'm not qualified to address concerns of a scientific nature like that." Some scientific.

## GOP Posts Steady Gains in Sun Belt

Steady and substantial increases in support for the Republican Party, its candidates and its point of view in Sun Belt states are reported in a lengthy *Washington Post* story.

Gains are not large enough to sustain any theory of a "realignment" making the GOP the nation's majority party. But since the Sun Belt states are those with largest population increases, they are the ones that will gain congressional seats after the 1990 Census, at the expense of more Democratic-leaning areas like the Northeast and the Midwest industrial belt.

State GOP gains reported by the Post show:

- *Arizona*—After a post-election purge of voter lists last November, Republicans wound up with a plurality among registered voters for the first time in decades—although a very small one.
- *Colorado*—The *Post* reports the state GOP has set up a strong registration and get-out-the-vote procedure that gave the party enough strength in both legislative houses to override any veto by Democratic Gov. Lamm, who describes the state GOP operation as "awesome." (Colorado, home of good Reagan friends, the Coors brewing family, was a breeding ground for ultra-conservatives who took high positions in this Administration, among them James Watt and Ann Gorsuch-Burford.)
- *Florida*—Registered Democrats still outnumber Republicans, but in the past four years *new* registrations have gone 2-1 for the GOP. And last November, the party picked up six seats in the state legislature plus two "born again" legislative conversions from Democrat to GOP.
- *Texas*—In addition to a gain of three U.S. House seats last year, the GOP has climbed in statewide surveys to a position just about level with the Democrats in party allegiance. This is a pick-up of more than 13 points in little more than a year and appears to have come largely from ranks of independents. A couple of years ago, non-aligned voters were about 25 percent of the electorate. Now, they're down to 10 percent.
- *Louisiana*—GOP is still badly outnumbered in voter registration, but is getting lion's share of new registrants. In addition, large numbers now registering independent.
- *Alabama*—The Democratic margin of allegiance among voters has dropped from 31 to 17 points in only two years, and any recent growth in registration has been for the GOP and independent status. In South Carolina, the Democratic advantage has fallen to only six points from 14 three years ago.

Throughout the Sun Belt—just about everywhere else, too—state Republican parties enjoy an enormous bulge in funding. In South Carolina, the state GOP has a 1985 budget of $350,000; Democrats hope for $140,000 but have to make up a $90,000 debt first. In Alabama, the Democrats' $200,000 spending plan is dwarfed by the GOP's $500,000. In Colorado, it's almost as one-sided: GOP $750,000, Democrats hoping for $300,000.

## Sharing the Sacrifices

**It is good that President Reagan is calling upon retirees and middle-class and other average Americans to sacrifice to help balance the budget he's sent so wildly out of whack.**

**After all, a lot of corporate leaders have already set an example for the rest of us to follow.**

**For example, did you know the chief executive officer of Mobil Oil took a 4.2 percent cut in compensation in 1984? This left his income for the year at only $1,575,000.**

**Or that AT&T's CEO suffered a 19.2 percent drop in compensation from $1,225,500 in 1983 all the way down to $989,500 last year?**

**And these are only two examples out of 50 top companies surveyed by *USA Today*. Six of the top executives of the remaining 48 also took pay cuts, leaving the lowest-paid of them, Donald Lennox of International Harvester, with a 1984 income of only $475,000.**

**Of course, while pointing to these as examples of sacrifice worthy of emulation, the President might chide some of their fellow top execs for a bit too much self-indulgence and remind them we all have to bite down on the old bullet to cut Reagan's own deficit.**

**His friends in the corporate world have rewarded themselves most handsomely, in fact. *U.S. News and World Report* cites median income for board chairmen of major firms of $780,769 which is 15.6 percent over 1983; for presidents a median pay of $581,248 and for vice presidents $402,649, up 11.7 and 16.9 percent.**

## Four Votes Finally Settle Indiana Race

### Out of 233,286 Cast

Well, Democrat Frank McCloskey was sworn in as the re-elected U.S. House member from Indiana's 8th District six months after election day.

In order, McCloskey had appeared election night to be a 72-vote winner over his GOP challenger, Richard McIntyre. Then a counting error discovered a few days later appeared to give McIntyre the victory by 34 votes. Another count enlarged McIntyre's apparent win to a few hundred votes, but there were questions about the conduct of the count. So, a House task force was set up to investigate and supervise yet another count conducted by an outside expert and General Accounting Office auditors.

This final count showed McCloskey the winner by just four votes out of 233,286 votes cast: 116,645-116,641.

House Republicans are in rebellion. They took a walk when McCloskey was finally seated. They have thrown a monkey wrench into House proceedings the past week. They have accused Democrats of "stealing" the seat, but Democrats have plausible responses to challenges raised by the GOP.

Though most Republicans—however angry—have kept a civil tongue, the no-class wing of the party is firing from the mud pit again. Rep. Newt Gingrich (Ga.) is quoted as referring to Speaker O'Neill and other Democratic leaders as "corrupt" and as "thugs." His GOP colleague, Vin Weber (Minn.), refers, according to a news report, to "the slime in the Democratic Party."

### It's Happened Before

The Constitution says the U.S. House and Senate shall have the final voice in who gets seated, and the wrangle over the Indiana 8th District House seat while not run of the mill, is not unheard of.

In fact, a similar situation arose in a different Indiana congressional district in 1960, when Rep. Ed Roush (D) at first apparently lost his re-election bid to George Chambers by 12 votes.

An initial recount had Roush the winner . . . by just two votes. Then a follow-up recount supervised by the House itself, which sent General Accounting Office auditors into Indiana, months after the election came up with a 99-vote victory for Roush: 107,357 to 107,258.

In a New Hampshire U.S. Senate race in 1974, Democrat John Durkin lost by 300 votes in the election night count, then won by 10 in a statewide recount and lost by two votes in a second.

The contest went to the Senate Rules Committee and finally to the Senate floor without being resolved. A special election was held in September 1975, 10 months after the first election. This time Durkin won it beyond question with 54 percent.

There was a time when districts were so small and voters so few, because of restrictions, that outright ties for House seats occurred. In Maryland in 1820 Philip Reed and Jeremiah Cosden stalemated at 74 votes each. Fortunately for Reed, he was of the same party as the House Speaker, who got to break the tie and, unsurprisingly, gave Reed the nod.

# Council warns economy 'at risk' from impact of Reagan policies

## *Asks action to ward off new slump*

AFL-CIO news

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**By John M. Barry**

The nation's economy has entered a phase of "extreme risk," the AFL-CIO Executive Council warned as it called for congressional action to redress the Reagan Administration's "unbalanced economic policies."

"Signs of an impending downturn are becoming increasingly apparent," the council statement noted. It cited shallow growth of only 1.3 percent in total output for the first quarter of 1985 and a decline in the index of leading economic indicators for March.

"Once again, Administration projections have proven overly optimistic," the council said, adding:

"The economic recovery has run out of steam," while leaving behind record high federal deficits, high interest rates, the worst trade deficits in history and an unemployment rate that has remained stagnant for almost a year.

The statement adopted by the council at its two-day spring meeting in Washington was one of a series focusing on the failures of the Administration's fiscal, economic and social policies. It renewed the federation's call for Congress to restore fairness to the federal budget and to the revenue-raising capacity of the federal tax code. And it urged Federal Reserve Board policies that would lead to lower interest rates and a better trade balance.

At the opening session, the council met with the new Secretary of Labor, William Brock, for what Federation President Lane Kirkland described as a cordial discussion that revolved around employment problems.

### Plight of farmers

Another council guest was Cy Carpenter, president of the National Farmers Union, who detailed the plight of family farmers struggling to survive and avoid bankruptcy in the current economic climate. Following a discussion with Carpenter on farmer-labor cooperation, the council approved a statement denouncing the Administration's agriculture policy and outlining a program to strengthen the rural economy and raise the quality of life for farm families.

On international matters, council statements called for U.S. ratification of longstanding conventions of the International Labor Organization, continued sanctions against Poland's repressive government

**Continued on Page 3**

# GOP budget measures hit for inequities

The budget that President Reagan and Senate Republican leaders want Congress to adopt is so blotted with inequities and broken promises that it would undermine confidence in government, the AFL-CIO protested.

An Executive Council statement, adopted as the Senate was nearing a showdown on a budget resolution, demanded an "honest approach" to deficit reduction.

There's no justification for "one standard that rewards the military-industrial complex and the wealthy" while another "destroys programs" essential to workers, retirees, students, farmers and the poor.

AFL-CIO President Lane Kirkland opened a news conference with a blast at the budget package being debated on the Senate floor.

Labor rejects deficit reduction based on cuts in social security and health care, he said, or on elimination of jobs and training programs. The AFL-CIO opposes "strangling our transportation, postal and economic development programs."

### Equal sacrifices

The AFL-CIO supports a strong defense, "as we always have," Kirkland stressed. But it rejects the contention that Congress must "choose between the general welfare and the common defense." He cited the Executive Council assertion that "the Pentagon should not be exempt from spending reductions equal in severity to those forced on domestic programs."

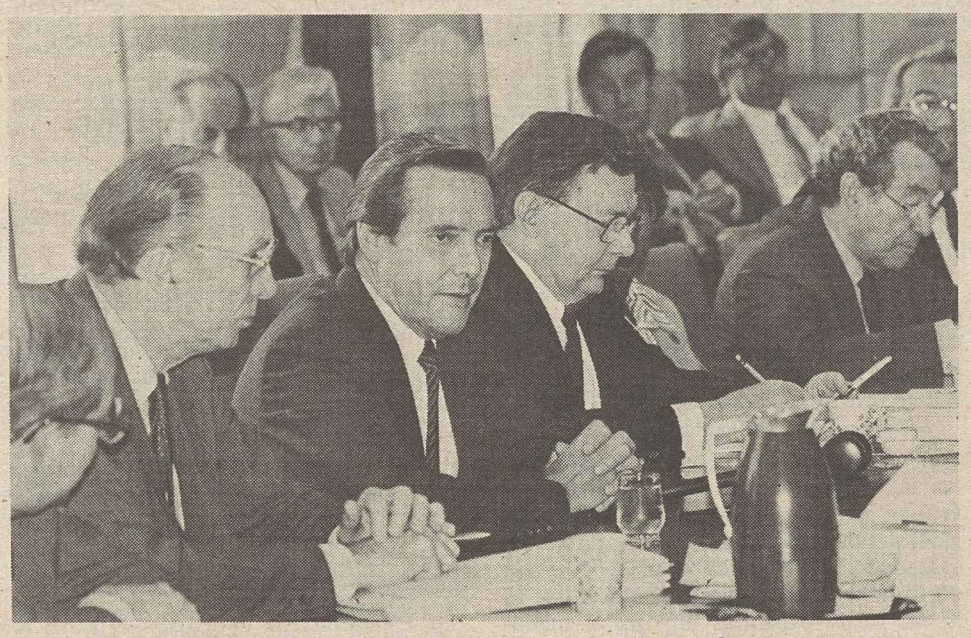
One of the issues before the Senate—and before the House when it takes up a Democratic-sponsored budget resolution—is whether tax reforms should be incorporated in a budget resolution so as to allow restoration of Reagan cuts without enlarging the projected deficit.

Labor's answer was a clearcut "yes."

"We insist that profitable corporations and individuals with large amounts of tax-sheltered income must also make their contribution, and we support the enactment of an effective minimum tax on corporations and wealthy individuals."

It is said that "speedy action on a minimum tax would send a welcome signal to

**Continued on Page 2**



New Labor Secretary, William Brock, is flanked by Federation Sec.-Treas. Donahue and President Kirkland as he meets with the Executive Council.

# *Tax law changes asked to cool takeover fever*

America's economic health is periled by a worsening "epidemic of corporate takeovers," the AFL-CIO Executive Council warned.

Billions of dollars are being drained from productive uses to finance takeover attempts—and to fend them off. Win or lose, workers and communities are usually left worse off, the AFL-CIO statement noted.

The council urged changes in tax laws that now encourage takeovers and subsidize corporate mergers.

It called for an end to "greenmail"—using corporate funds to buy off raiders by guaranteeing them a big profit on the stock they acquire.

Securities laws should be strengthened to protect the rights of stockholders and mechanisms developed to protect the interests of workers and communities.

Further, the council said, banks and trustees of funds should be barred from investing "in the unsound, speculative instruments of the corporate raider." Through such devices, corporate raiders often end up using a company's own assets to pay for the cost of acquiring it.

Apart from the financing mechanisms, the time and attention devoted to waging and fighting takeover battles is "siphoned off from the task of building better products and providing services at a better price."

Once rare, takeover attempts are now commonplace. "Today's headlines are filled with nonproductive attacks against major profitable companies such as CBS, Crown Zellerbach and Unocal. Next month's list is likely to be even longer," the statement noted.

To avoid a takeover, companies are pressed to "maximize short-term profits at

**Continued on Page 6**

## 'We're still free'

# R-T-W beaten in New Hampshire

Concord, N.H.—An "educational campaign" by New Hampshire's small but active labor movement helped build a bipartisan coalition that defeated a "right-to-work" bill to scuttle union-shop agreements.

The legislation, which would have made New Hampshire the first northeastern state to succumb to the anti-union virus, passed the House in early April and appeared headed for victory in the heavily Republican Senate.

But it was beaten, 14-10, as eight Republicans joined the state Senate's six Democrats to kill the bill.

The prevailing view expressed in the Senate debate was that labor-management relations in New Hampshire have been generally good and didn't need "fixing."

New Hampshire's state motto is "Live Free or Die." And an elated Harland Eaton, president of the 47,000-member State AFL-CIO, declared after the vote, "We're still free."

The National Right to Work Committee has carried New Hampshire high on its priority list for more than a decade, encouraged by the state's Republican tradition.

### GOP domination

After last November's election, the anti-union group had good reason for optimism. Republicans picked up 58 seats in the 400-member House, for a 292-108 margin of control. A gain of three seats gave the Republicans 18-6 domination of the Senate, and the state's Republican governor was easily re-elected.

To add to the pressure, the "right-to-work" campaign carried with it the momentum of an Idaho victory where a Republican legislature had passed a "work" bill over the Democratic governor's veto.

With an assist from the AFL-CIO field staff and unions with relatively large membership in the state, the New Hampshire labor movement set out first to convince union members that the threat to their living standards was real. It wasn't a case of crying wolf.

New Hampshire may be a tourist wonderland, a collection of small towns, but it has long had an industrial base that stems in part from an abundance of water power. The building trades and the shipyard-based metal trades councils are firmly established, the IBEW is a major union in the state, AFSCME represents a sizable group of public employees, and unions representing paperworkers and shoe workers have been important in the state's

**Continued on Page 6**

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5/11/85

# Labor scores plan to permit line-item veto

The AFL-CIO made clear its opposition to a constitutional amendment that would allow the President to veto specific items in an appropriations bill while allowing other provisions to become law.

As the Executive Council sees it, that would tilt the existing balance of power between Congress and the White House—unnecessarily and unwisely.

President Reagan has argued for a so-called "line-item veto" as an economy measure. But the council noted that he already has ways to seek to limit spending, and has made use of them. These include veto of the entire appropriations bill with a request that it be reenacted with specified changes, and a proposal to Congress to rescind specific appropriations.

Appropriations bills, like other legislation, usually represents a careful political balance and the process compels the President "to engage in a dialogue with Congress," the council statement noted.

Especially under an administration such as Reagan's, the AFL-CIO suggested, the President "would capriciously use the veto as a weapon of political punishment" or to eliminate provisions he considers "ideologically distasteful."

The solution to budget deficits isn't for Congress to forfeit its constitutional powers, the AFL-CIO stressed.

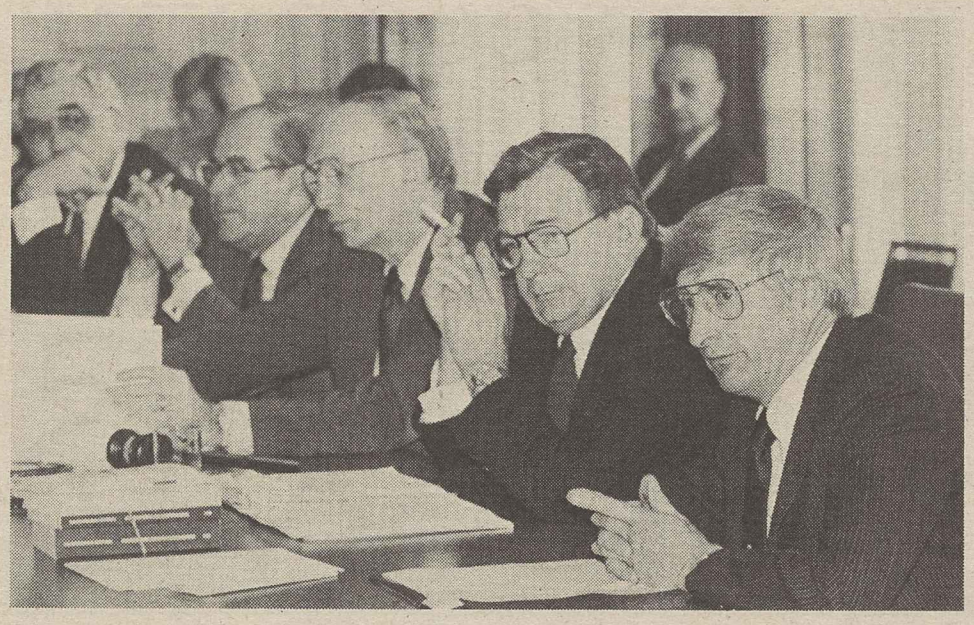
## Continued sanctions urged against Poland

U.S. sanctions against Poland should remain in place and Poland's external debt should not be rescheduled as long as the Jaruzelski regime continues its war against workers, the AFL-CIO declared.

Citing the continuing repression of leaders of the banned independent trade union, Solidarnosc, the Executive Council said in a statement that at the same time Polish workers are being forced to pay higher prices for basic food items "they are also deprived of the only institution that could defend their interests—Solidarnosc."

As part of its campaign against the independent labor union, the government is bringing to trial on charges of working in illegal trade union structures Solidarnosc leaders Wladyslaw Frasyniuk, Bogdan Lis, and Adam Michnik. At the same time, authorities are attempting to force workers to join government-sponsored unions.

The campaign, according to former Solidarnosc Chairman Lech Walesa, employs "every kind of pressure imaginable, including blackmail and bribery."



Cy Carpenter, president of the National Farmers Union, describes economic crisis facing family farmers as he meets with AFL-CIO Executive Council.

# *Support pledged in battle to preserve family farms*

Family farmers struggling to survive an economic battering will have the AFL-CIO's active support for programs "to strengthen rural America" and provide a fair return for their labor.

An Executive Council statement stressed the "mutual interest" of farmers and workers in bringing down interest rates, preventing a total takeover of farmland by giant agribusiness, and rectifying an "overvalued dollar" that has weakened the export market for U.S. farm products just as it has vastly expanded imports of manufactured goods.

The principal organizations representing family farmers also signalled their interest in strengthening ties with the trade union movement. National Farmers Union President Cy Carpenter met with the AFL-CIO Executive Council at the session which considered the farm policy statement.

A day before the council session opened, the national coordinator for the American Agricultural Movement, David Senter, addressed the weekly meeting of union legislative representatives at the AFL-CIO headquarters.

### Serious trouble

Nearly 300,000 family farmers have been forced off the land just in the past four years, the Executive Council noted. Of the remaining 680,000 family-sized farms, an estimated one-third are "in serious trouble" financially.

The council warned that President Reagan's proposed changes in farm policy will lead to "more farm bankruptcies . . . and more domination of agriculture by big business giants."

The Executive Council's statement called for:

- Fair price, production and income policies designed so that the benefits of income-support programs are limited to family farmers.
- A moratorium on farm foreslosures until debt restructuring can take place.
- Curbs on foreign buy-ups of U.S. farmlands and curtailment of commodity speculation.
- Establishment of a federal board to handle foreign sales of U.S. grains.
- Establishment of commodity reserve stockpiles to stabilize prices.
- Health standards for imported foodstuffs equal to those set for domestic products, and labeling as to country of origin.
- Encouragement of farm cooperatives.
- Federal reclamation laws to encourage family ownership and discourage land speculation.
- Assurance of health and safety, housing and sanitary facilities, fair wages and working conditions, and the right to organization and collective bargaining for all farm workers.
- Training and employment assistance for persons displaced from agriculture and programs to meet the needs of rural Americans and migrant workers.

The council also urged a better distribution of the nation's food abundance to needy people at home and abroad.

"Hunger in America is a problem which the Reagan Administration is trying to minimize or ignore," the council charged.

# GOP budget measures hit for inequities

**Continued from Page 1**

the American people that Congress is serious about fairness in taxes and deficit reduction," the council said.

In response to a news conference question, Kirkland said the AFL-CIO supports both the minimum corporate tax proposal being considered in connection with the budget resolution and comprehensive tax reform. They're not contradictory, he stressed.

In the Senate, Republican Leader Bob Dole (Kan.) was maneuvering to undo some of the amendments the Senate adopted to the budget resolution by substituting a slightly revised budget package.

Earlier, defying the White House, the Senate had passed amendments to preserve cost-of-living adjustments for social security recipients and persons receiving civil service or military pensions.

It voted, 51-48, to hold the rise in military spending to the amount needed to offset inflation next year—substantially below Reagan's budget. And it voted 53-41 to fund Amtrak subsidies at 90 percent of present level. Reagan wants them totally ended.

### Majority holds

The Republican leadership was able, however, to get by with only a modest easing of cutbacks in Medicare and Medicaid. And the GOP majority held together to vote down two Democratic alternatives. Both would have closed some corporate loopholes to reduce the revenue deficit.

One Republican-sponsored amendment adopted was a non-binding "sense of the Senate resolution" that laws requiring overtime payments after eight hours a day for work performed on federal procurement or construction contracts be amended to conform to the wage-hour law's requirement for overtime pay only after 40 hours a week. The eight-hour day provisions are part of the Walsh-Healy Act and the Contract Work Hours & Safety Standards Act.

Dole's plan, still being put in final shape, would presumably go back to most of the provisions of the package supported by Reagan, with whatever changes are needed to achieve its passage. Adoption of a substitute would nullify the amendments the Senate has passed.

### Joint conference

The next move would be up to the House, and a House-Senate conference would have to reconcile the two measures. After a budget resolution is adopted, Congress is supposed to follow through by "reconciling" legislation and appropriations to conform to its provisions. The congressional budget is not subject to presidential veto.

The AFL-CIO Executive Council statement opposed curtailment of social security cost-of-living adjustments, and backed continued revenue-sharing with states and communities.

It urged Congress "to protect Medicare beneficiaries from greater out-of-pocket expenses for medical care, to remove the cap from Medicaid, to preserve education programs, to protect civil service and postal compensation and retirement programs, and to maintain job training, TVA, Urban Development Action Grants, and other economic development programs."

# *Report spurs two new programs*

Two new AFL-CIO programs designed to move ahead with recommendations of the Executive Council's Committee on the Evolution of Work were announced by Federation President Lane Kirkland during the council's spring meeting in Washington.

In its report issued last February, "The Changing Situation of Workers and Their Unions," the committee recommended among other things that the AFL-CIO seek to increase membership contacts and improve the communications skills of unionists. To fulfill one of these goals, Kirkland said the federation will initiate a pilot project of direct, personal contacts among trade unionists called "One on One." The project will be started in Georgia, Missouri and Idaho and will include members of any AFL-CIO unions that wish to participate.

The federation also will begin this year to train union activists to deal more effectively with the news media. Kirkland announced that with the aid of members of the Federation of Television & Radio Artists, the AFL-CIO plans to prepare 1,000 union members to act as volunteer spokespersons for the labor movement by the end of 1986.

Kirkland said the objective of the "One-on-One" program is to draw out members' opinions, give them direct information, encourage broader participation and solicit their help. The first training will begin May 28 at the George Meany Center for Labor Studies in Silver Spring, Md., and all federation departments will be involved.

"We want to set up and encourage and promote systematic programs whereby local union officers and representatives—stewards and so forth—meet regularly with individual members or in small groups to discuss current issues and problems and promote current objectives," Kirkland told reporters at a news conference.

Following Kirkland's announcement, Sec.-Treas. Thomas R. Donahue described follow-up meetings relating to the report of the Committee on the Evolution of Work, which he chairs. Donahue reported on exploratory steps to carry out other recommendations of the committee and said leaders of unions not represented on the council will be invited to meet for a discussion of the proposals at the Studies Center in early June.

# Rubber Workers settle with Firestone

Akron, Ohio — The Rubber Workers negotiated a tentative agreement with Firestone Tire & Rubber Co. that matches the pattern settlements reached earlier with B.F. Goodrich and Goodyear.

The three-year Firestone package provides for a general wage increase of 43 cents per hour over the term of the contract—25 cents the first year, 10 cents in the second and 8 cents in the third. Cost-of-living adjustments will continue at 1 cent per hour for each rise of .26 in the government's consumer price index.

The accord includes the pattern provisions boosting pension benefits, supplemental unemployment benefits, life insurance and sickness and accident benefits. Firestone workers will also participate in the new medical program that gives them choice between two plans.

The proposed agreement will be voted on by the 8,500 URW members in Firestone's eight plants over the next 10 days, the union said. Those facilities are located in Akron, Albany, Ga.; Bloomington and Decatur, Ill.; Des Moines, Iowa; Noblesville, Ind.; Russellville, Ark., and Oklahoma City, Okla.

Of the "big four" tire makers, only Uniroyal has yet to come to agreement.

# Ken Moffett appointed to key post at NABET

Bethesda, Md.—Kenneth E. Moffett has been named assistant to Broadcast Employees & Technicians President Edward M. Lynch. The appointment was approved by NABET's executive council.

Moffett, a former director of the Federal Mediation & Conciliation Service, had been with FMCS for 21 years. He later served as executive director of the unaffiliated Major League Baseball Players Association. Before joining FMCS, Moffett was a representative with District 50, which since merged with the Steelworkers.

# Council asks steps to avert downturn

**Continued from Page 1**

and a multi-faceted program to combat apartheid and bring about democratic change in South Africa. These and other council actions are detailed elsewhere in this issue.

In its statement on the economy, the council pointed out that the industrial sector is still suffering from the effects of the 1981-82 recession "and has been drowning under a tidal wave of imports." It said the overvalued American dollar—now 87 percent higher against other major currencies than in July 1980—gives imports "a tremendous price advantage" and has contributed to the nation's record trade deficits of recent years.

Expanding on the trade problem in a separate statement, the council said the Administration's proposal for a new round of multilateral trade negotiations "should not be allowed to take the place of needed efforts to deal with specific domestic trade problems and should not substitute for specific action correcting the imbalance in exchange rates."

If multilateral trade talks do take place, the council said, the United States should seek among other things to include in the General Agreement on Tariffs & Trade a social clause "that addresses unfair trade advantages gained through repressive working conditions."

## Solutions sought

The statement also called for greater efforts to enforce existing codes and to strengthen GATT safeguards against trade restrictive measures. It said solutions must be found also to "the serious problems faced by U.S. industry in the areas of counterfeiting and intellectual property rights, such as computer programs, films and recordings."

In the light of the severe economic problems facing the nation and the erosion of its basic industry, the council concluded, "U.S. trade and procurement policy must be designed to promote the growth of U.S. employment, higher levels of real income, and a diversified industrial economy," including policies to deal with the overvaluation of the dollar as well as specific sectoral problems.

In response to questions at news conferences during the council meeting, Kirkland noted that the council dealt extensively with trade issues in its discussion with Brock, who held the post of U.S. Trade Representative before his appointment as Labor Secretary. He said Brock was urged specifically to put "some life" back into the trade adjustment assistance program that was designed to provide benefits and retraining for workers who lost their jobs as a result of the rising tide of imports.

Other issues discussed with the Secretary, Kirkland reported, included the minimum wage, the resurrection of homework, revival of the Labor Dept.'s Women's Bureau, and problems growing out of the government's pension insurance programs.

## Brock 'responsive'

Brock was "quite responsive" and indicated these were areas he also was concerned with, Kirkland said. He noted, however, that Brock still maintains that the youth subminimum wage ought to be tried on an experimental basis while the AFL-CIO remains firmly opposed to the scheme.

Responding to other questions from reporters, Kirkland said:

- Labor is "disappointed, although not surprised" that the serious and chronic problem of heavy unemployment in the industrial democracies was given little attention at the recent economic summit meeting. Of particular concern were thinly disguised suggestions emanating from the meeting that the undermining of protective labor laws and standards, particularly in Western Europe, "would be a constructive contribution to economic revival."

- In his meetings with local leadership and rank-and-file members he has found them to be "vigorous, determined, not discouraged, deeply concerned about some very serious problems. . . .There's a deep concern with the mess that the country is in—a mess created by national policies—but no loss of spirit or determination on the part of our people."

- President Reagan's recent visit to Belsen and the military cemetery in Bitburg, Germany, that includes graves of some SS troopers was "an effort to gloss over a serious blunder, and I frankly am at a loss to see, with particular reference to Bitburg, any reason that for a moment would justify such an act. It was put forward in the name of reconciliation, but the consequences come close to the reverse effect. . . . As a trade union movement we're very much involved with the German working people. We've been reconciled for years. We have a very close and cordial relationship with the German trade union movement. We felt no overwhelming need for some symbolic act of dubious character."



Federation President Kirkland fields questions at news conference on opening day of council meeting. Information Director Murray Seeger is at right.

## Special reports

During the council meeting, Kirkland reported on the first three of this year's series of regional conferences, on the recent ICFTU executive board meeting in Washington, and on his own visit to Germany for the presentation of labor's views by the Trade Union Advisory Committee to the Organization for Economic Cooperation & Development (the summit nations).

Kirkland also announced the initiation of two pilot programs to carry out recommendations in the February report of the council's Committee on the Evolution of Work. The chairman of the committee, Sec.-Treas. Thomas R. Donahue, reported on follow-up meetings of the committee itself and of staff representatives to explore proposals for programs to carry forward other recommendations.

The council also heard reports from Donahue on federation finances and matters involving the Article XX Internal Disputes Plan.

Other committee reports were presented by Vice Presidents William H. Wynn on restrictive legislation, John J. Sweeney on health care, Frederick O'Neal on civil rights and Wayne E. Glenn on state and local central bodies. Reports also were given by Vice Presidents Vincent R. Sombrotto on the union-supported campaign for a minimum tax on corporate profits and Murray H. Finley on the Martin Luther King Holiday Fund.

The council approved a quarterly grant to Concerned Seniors for Better Government as well as contributions to the Leadership Conference on Civil Rights, the Committee for National Health Insurance, the Ireland Fund, the National Symphony Orchestra, the Industry-Labor Council of the National Center on Employment of the Handicapped, the Workers' Institute for Safety & Health, People for the American Way and the Economic Policy Institute.

The next meeting of the Executive Council will be held in Pittsburgh, Aug. 13-15.

# *Death of black African unionist stirs outrage*

The AFL-CIO expressed the outrage of American labor over the death of Andries Raditsela, a black trade union official, from head injuries sustained while in the custody of South African police.

Federation President Lane Kirkland cabled a strong protest from the Executive Council to South African Prime Minister P. W. Botha, declaring that the tragedy "fits a pattern that has become all too familiar—the death, under mysterious circumstances, of black South African leaders held under your Preventive Detention laws."

Kirkland recalled that among other opponents of the racist apartheid system who have died while being held under the detention laws was Neil Aggett, who received the George Meany award for human rights in 1982.

Raditsela, 29, was senior shop steward of the Chemical Workers' International Union and vice chairman of the Transvall region of the Federation of South African Trade Unions. His union reported that he was arrested in the black township of Tsakane on Saturday afternoon, May 4, after he was questioned by an armored patrol about the rental car he was driving. While he was showing documentation for the car to police, another patrol vehicle pulled up and a white officer in riot gear walked up and struck Raditsela in the face, the union reported.

Raditsela was dragged to one of the police vehicles, driven away and charged under the Internal Security Act. He was later taken to a hospital in Soweto where he died of head injuries Monday, May 6. Police had withdrawn the charges earlier that day.

News of the tragedy reached the Executive Council the day after it had approved a strong statement calling on the South African government to repeal the Preventive Detention laws, which the council said are used to harass, intimidate and imprison black trade union leaders.

Citing the council's action, Kirkland's cablegram to Botha said South Africa "stands accused of deliberate and consistent disregard of internationally accepted standards of conduct and of perpetually violating the human and trade union rights of black workers and others."

The council's statement also endorsed the call by the International Confederation of Free Trade Unions for stiff economic sanctions against South Africa as long as it persists in its policies of oppression. The council called on the U.S. government and other industrial democracies to ban all new investment in South Africa and take these additional steps:

- End all investment guarantees, export credits, and trade promotion with South Africa.

- Stop new loans by the International Monetary Fund, as well as other bank loans, to the South African state and publicly owned companies.

- End sales of Kruggerand gold coins and the purchase of South African coal.

- Punish violators of the United Nations oil embargo against South Africa.

- Embargo the sale of arms to South Africa, especially those used by its military, security, and police forces.

- Compel disinvestment by multinational firms in the agency and high-technology sectors of the South African economy.

- Force disinvestment by all multinational firms that have been identified by the independent black trade union movement as being in violation of internationally accepted labor standards.

"The growing black trade union movement of South Africa remains the best hope for democratic, peaceful change in that tragic country," the council said.

# U.S. pressed to ratify key ILO conventions

The AFL-CIO strongly urged the Administration and Congress to begin procedures for the United States to ratify certain key conventions of the International Labor Organization, charging that failure to do so "is a continuing embarrassment to our nation."

Calling especially for ratification of Conventions 87 and 98, which deal respectively with freedom of association and collective bargaining rights, the Executive Council declared there is no justification for withholding U.S. approval.

By delaying ratification, the Soviet Union gains a propaganda advantage to the embarrassment of the free world, the council said.

Federation President Lane Kirkland, at a news conference during the council meeting, charged that the United States has been "absolutely delinquent" in living up to its responsibility with respect to ILO conventions. Of the more than 150 conventions that have been adopted by the ILO, Kirkland noted, the United States has ratified only five or six relating to "rather abstruse aspects of maritime employment."

Although the ILO has no power to force member states to comply with its international conventions, or standards, the reports of its Committee on Application of Conventions have an impact on world public opinion as evidenced by the continuing effort of the Soviet bloc to dismantle the ILO's implementation machinery, the council observed.

When the Solidarnosc independent trade union movement emerged in Poland five years ago, one of its chief demands was that the Polish government abide by convention 87, guaranteeing freedom of association, which Poland had ratified.

"When an ILO Commission of Inquiry found Poland in violation of this convention, Poland withdrew from the ILO," the council observed in a statement. "Yet the United States has so far refused to ratify this very convention."

The council also urged U.S. ratification of Conventions 29 and 105 condemning forced labor and slave labor, respectively.

There is no evidence that ratification of these four conventions would present the U.S. with any constitutional problems or require the modification of existing legislation, the council declared.

# L.A. pay equity settlement closes gap for 4,000

Los Angeles—A breakthrough pay equity settlement negotiated by the State, County & Municipal Employees will bring extra salary increases to some 4,000 city workers in clerical and librarian jobs that have been held primarily by women.

The three-year contract, expected to be quickly ratified by the Los Angeles City Council, provides additional raises of 11 to 15 percent to achieve parity with occupations in which men predominate.

The pay equity increase—valued at $12 million—is on top of a 9 percent across-the-board raise negotiated by the union.

With the new agreement, AFSCME is withdrawing the sex discrimination complaint it filed against the city in 1981 with the Equal Employment Opportunity Commission.

Both the union and city officials hailed the outcome.

AFSCME President Gerald W. McEntee said the agreement, following similar settlements elsewhere, shows that "the momentum in eliminating sex bias from public-sector wage scales is now irreversible."

Los Angeles Mayor Tom Bradley termed the pay equity settlement a "historic step" that will "send a message to all cities across this country."

### Long struggle

Betty Ballard, a 20-year city employee and president of AFSCME Local 3090, described the agreement the result of a "long and hard" struggle against sex-based pay discrimination.

Local 2626 President Harriet Newton said the outcome proved the effectiveness of the collective bargaining process to achieve pay parity for women.

The multi-million dollar equity settlement will be phased in over the contract period in four steps, achieving full parity in July 1987.

Over the contract period, the agreement will bring an average pay equity adjustment of about $6,000 for librarians and about $5,000 for secretaries, clerk typists, stenographers and accounting clerks.

In laying the groundwork for the union's pay claim, AFSCME conducted an extensive analysis of Los Angeles wage scales to document disparities between jobs held largely by women and those filled by men.

Late last year, the Los Angeles City Council voted to begin pay equity negotiations and formal talks got under way in January. The increases will be retroactive to Apr. 1. The two AFSCME locals ratified the agreement nearly unanimously.

The city estimated the cost of the pay equity adjustments at $12 million.

The city's administrative officer, Keith Comrie, said the sex discrimination complaint filed by AFSCME brought the issue to focus and the settlement that was worked out at the bargaining table "was just a matter of fairness."

In the surrounding Los Angeles County government, the Service Employees also have followed the course of filing a complaint with the EEOC and pressing for bargaining table meetings.

One of the early pay equity victories was won by municipal employees in San Jose, Calif., after a nine-day strike.

### Legal actions

Lawsuits have been filed by AFSCME and other unions in a number of states and localities. A landmark decision was won by AFSCME in a pay equity suit against Washington state. That ruling has been appealed by the state and a decision by the U.S. 9th Circuit Court of Appeals is pending.

The federal Civil Rights Commission, in a controversial decision reflecting the views of President Reagan's appointees, has adopted a report rejecting the concept of comparable pay as a civil right.




Union women protest at South African embassy on eve of CLUW conference on problems of working mothers.

# CLUW conference explores child-care need posed by record number of working mothers

The number of working mothers in the labor force today has reached record levels, but the responsibility for child care continues to be theirs, the Coalition of Labor Union Women pointed out.

The findings were underscored at CLUW's conference on work and the family in exploring the need for quality child care and meeting other family needs such as elderly care.

The lack of affordable child care serves to keep women who need to work out of the labor force, the participants were told. It also results in increased absenteeism, higher turnover, reduced productivity and heightened family stress.

"Economic reality has created the phenomenon of the two-worker family," CLUW President Joyce Miller noted in opening the conference. "Today, more than ever, women must work to ensure their families survive."

Miller, who is also an AFL-CIO vice president and a vice president of the Clothing & Textile Workers, said she is "sick and tired" of hearing working mothers blamed for weakening family structure.

"The labor movement has always been the real pro-family movement in the United States," Miller said.

### Reagan cutbacks

"The Reagan Administration is not pro-family," she declared. "This Administration has done more than any other to destroy the American family" by slashing funds for day care, dismantling affirmative action, cutting funds for education, and reducing Medicare and Medicaid.

CLUW member Patricia Dishon, a Steelworker, told participants of entering the workforce in the 1960s at a Baltimore box factory with take home pay of $98 a week. As the cost of day care for her four children was $112 a week, she was forced to turn to family, friends and neighbors to take care of her children.

Today, one of Dishon's daughters has a three-year-old of her own and finds herself in a comparable situation. "She earns a minimum wage. She can't afford a baby sitter, and a day care center would take more than three-quarters of her salary."

Toby McIntosh, a Washington Newspaper Guild member, told participants that his employer wouldn't agree to on-site child care, using the argument that in an urban setting high rents prohibit it.

Participants found that there are two primary vehicles for achieving adequate child care: legislative action and collective bargaining. Progress in both areas, however, appears to be an uphill fight.

### Bleak outlook

A panel of legislative representatives responding to the workers' testimony noted that with the budget-cutting mood of Congress, passage of any federal child care legislation looks unlikely in the near future.

Arnold Mayer, legislative director of the Food & Commercial Workers, noted continued right-wing opposition to federally supported child care based on the ridiculous argument that children would be "Sovietized or collectivized."

As far as employers go, a recent study by the Conference Board — a corporate research group — shows only 2,000 of the more than 6 million U.S. companies offer some form of child care assistance.

At workshops, participants shared experiences on unions' progress in securing child care facilities, as well as family-oriented provisions in contracts.

Apart from child care, other solutions discussed included creative leave clauses, "flextime," voucher plans, flexible benefits and job-sharing.

The conference was held in conjunction with the meeting of CLUW's national executive board. Before the conference, eight CLUW members were arrested at the South African embassy in a protest against the country's racist policies.

# CWA sets protest of Bell Atlantic's anti-union actions

The Communications Workers initiated a protest campaign against Bell Atlantic Corp. to counter the telephone company's anti-union activities.

The campaign includes intervention in utility commission rate cases, picket line demonstrations and "whatever action is necessary to convince Bell Atlantic that harmonious labor-management relations is the price for future cooperation," said CWA Vice Presidents Morty Bahr of District 1, George Strick of District 2 and William Wallace of District 13 said.

Bell Atlantic has set up unregulated subsidiaries outside of the union contract by taking advantage of a loophole in the AT&T divestiture court order, the vice presidents said. They charged that Company chairman Thomas Bolger reneged on a 1983 pledge not to try "to avoid the union" when hiring permanent workers at the new subsidiary.

Proposed rate increases made by C&P Telephone Co. of the District of Columbia and by Bell of Pennsylvania have been publicly challenged by the CWA as a part of the new campaign. Both companies are part of Bell Atlantic, one of the seven regional Bell companies formed after the divestiture of AT&T.

In both rate increase cases, the CWA vice presidents are questioning whether part of the funds it is seeking in rate hikes may be used to finance the non-union enterprises of the holding company's unregulated subsidiary, Bell Atlanticom.

Bell management has asserted Bell Atlanticom is a new company where "third party representation is unnecessary."

Of the 180,000 CWA members in the three union districts some 75,000 are employed by Bell Atlantic.

# Executives get double-digit raises

The average compensation package for the chief executive officers of "blue chip" corporations soared by 22 percent in 1984 to $1.1 million, well above increases paid to workers.

The highest paid corporate executive in 1984 was T. Boone Pickens, Jr., chairman of Mesa Petroleum Co. and a leading corporate raider. He received $22.8 million for his efforts, according to Business Week magazine, which tallied the pay packages provided by 259 firms.

Long-term or deferred income, mainly from stock options, accounted for part of the compensation package. But the top managers averaged an additional 12.7 percent in salaries and bonuses in 1984, the second consecutive year of double digit raises. The corporate average for salaries and bonuses rose to $953,000.

Business Week noted that in order for a corporate chief to make this year's list of the 25 highest paid executives, he would have had to have received at least $2,340,000 in total compensation—the amount paid to John F. Burlingame, vice-chairman of General Electric.

Auto industry executives filled six of the 25 slots on the highest paid list. Chrysler Chairman Lee Iacocca was No. 5 on the list at $5.5 million. Ford Chairman Philip Caldwell, who retired last January was eighth with compensation of $4.1 million.

### Healthy sum

David A. Jones, chairman of Humana, Inc., the nation's second largest hospital chain, captured second with compensation of $18.1 million.

Ironically, from the study of 259 firms, Business Week found that four of the 25 highest paid executives also showed up on its list of the top 10 executives who returned their shareholders the least on their investments. Those four were An Wang, chairman of Wang Labs; Harrington Drake, chairman of Dun & Bradstreet; Edson D. deCastro, chairman and president of Data General, and T. Boone Pickens, Jr., of Mesa Petroleum, who ranked first on both lists.

None of the 25 highest paid executives showed up on the list of the top 10 who returned the most to the investors.

Business Week, in the same issue, listed salaries of 78 union officials, noting their pay was only 10 percent of the average corporate executive salary of $953,000.

The top two pay slots were taken by President Jackie Presser and Sec.-Treas. Ray Schoessling (now retired) of the unaffiliated Teamsters who received $534,143 and $206,760 respectively. The addition of these two salaries to the list boosted the average salary level by more than $7,000. At the other end of the scale was Farm Workers President Cesar Chavez who was paid $5,645.

If the annual salaries of all 78 union officials listed in the Business Week survey were added together, the compensation would have totaled only one-third of the pay package provided to Pickens.

## Still 7.3 percent

# Sag in manufacturing keeps jobless rate up

The unemployment rate remained at a recession-level 7.3 percent in April, reflecting the slowdown in economic growth since last fall and the continuing influx of goods from abroad.

Workers in the manufacturing sector were hurt most by the weakening jobs situation. The Bureau of Labor Statistics reported the number of factory jobs fell by 45,000 in April while the service sector picked up 90,000 over the month.

Construction employment advanced by 70,000 over the month after seasonal adjustment and, at 4.7 million, was up by 410,000 over the year, reflecting strength in homebuilding and highway construction.

While the jobless rate stayed stuck at 7.3 percent over the past three months, there has been a cumulative loss of 130,000 jobs in manufacturing industries, BLS reported.

Since July 1981, 665,000 jobs have been wiped out in manufacturing and 165,000 in mining. Over the same period, there have been net gains of 2,944,000 jobs in services, 1,963,000 in trade, and 547,000 in finance.

AFL-CIO President Lane Kirkland told reporters that Executive Council members expressed their concerns about the persistent high jobless rate to Labor Sec. William E. Brock.

In previous years, Kirkland said, the current measures of unemployment would be described as recession levels.

"Yet there seems to be no deep sense of concern about that in the Reagan Administration," which tends to regard "a continually increasing level of unemployment as normal."

BLS Commissioner Janet L. Norwood told the Joint Economic Committee of Congress that "we have some serious problems, clearly." She said the manufacturing sector was "extremely weak."

Nondurable manufacturing industries have recovered only about two-thirds of the jobs lost during the Reagan Recession of 1981-82, and makers of durable products—those that generally last three years or more—have recovered slightly more, Norwood told the panel.

The largest job loss in manufacturing last month was in the high-technology sector, particularly in electrical and electronic equipment production. Employment in those industries fell to the level of last summer, about 2.3 million, BLS said.

### Little change

Since last May, the unemployment rate, while bouncing up and down for several months, has declined only slightly. A year ago, it stood at 7.5 percent. Economists, including Vice Chairman Preston Martin of the Federal Reserve Board, talk openly of a possible "growth recession," when too few jobs are created to prevent the rate from rising.

The BLS report showed a drop of 174,000 jobs in April to 106,945,000. At the same time, the labor force declined by 143,000 after a gain of 428,000 in March.

The number of unemployed workers increased by 31,000 from the previous month to 8.4 million, about the same as February and March.

The true extent of unemployment was actually much wider, the Full Employment Action Council pointed out. FEAC, a coalition of labor, religious, civil rights and youth groups, estimated the nation's "real" unemployment rate in April was 13.2 percent.

The council said that BLS understates the country's real jobless rate by failing to include persons discouraged from looking for work and those forced to work part-time because they cannot find full-time work. There were 5.7 million persons working at those part-time jobs in April and about 1.3 million "discouraged" workers at the end of the first quarter, the council said.

While there was little overall change in April, the rates for both adult men and women rose by one-tenth of 1 percent to 6.3 and 6.8 percent, respectively.

For teenagers, the rate dropped five-tenths of 1 percent to 17.7 percent. The jobless rate for black adults increased one-tenth of 1 percent to 15.3 percent. For black teenagers, the rate was 39 percent, despite a 1.9-percent decline.

# Severe impact seen in cutoff of Amtrak funds

The AFL-CIO asked Congress to continue federal subsidies for Amtrak, the passenger railroad system that "can carry more people, more efficiently, in all kinds of weather than any other mode of travel."

A House subcommittee is considering President Reagan's budget proposal to cut off funds for Amtrak, a step that AFL-CIO Legislative Director Ray Denison said would make the United States less energy sufficient and end up costing the government billions of dollars in extra costs.

Denison wrote Rep. James J. Florio, who heads a House subcommittee on Commerce, Transportation & Tourism, that elimination of federal subsidies would kill off a system that carries 20 million passengers a year and serves 44 states.

More than 25,000 Amtrak employees would be thrown out of work and the federal government would be obligated for up to $2.1 billion in severance pay, Denison noted. The ripple effect would jeopardize a pension system that has only recently been restored to solvency.

Establishment of Amtrak in 1970 represented a recognition by Congress that rail passenger service fills "a critical national need," Denison stressed.




New York union members rally to "clean up" Phelps Dodge, as Steelworkers Sec. Edgar Ball vows the union will keep up the fight.

# *Steelworkers to continue fight against Phelps Dodge*

New York — The Steelworkers will launch a reorganizing drive at Phelps Dodge Corp. if the National Labor Relations Board scraps the union's challenge to a decertification election.

USWA Sec. Edgar Ball made the pledge at a sidewalk rally prior to the opening of the giant copper company's annual meeting of stockholders.

Decertification will signal the end of the strike—"but not the end of the fight," Ball stressed. Ball thought the reorganization drive could be very successful, because "the companies do us a big favor here, they don't treat their employees well. We have reorganized many, many times."

The USWA represents the largest number of some 1,400 members of 13 unions that struck five Phelps Dodge facilities in June 1983. The company tried to keep the Arizona copper plants operating with strikebreakers, but was forced to close its two largest plants in December 1984.

All 13 unions participate in the Phelps Dodge Corporate Campaign Task Force, which got underway last August. Ball said the campaign's two objectives are to pressure Phelps Dodge's major creditors into ending credit for the company and to bring alleged environmental violations at the four Arizona operations to the attention of state and local government. "Our purpose is to cost them as much money as we can, and to make it as hard as we can for them to make money," Ball said.

Phelps Dodge has lost more than $400 million over the past three years.

Last September two insurance companies announced they would no longer extend credit to Phelps Dodge, and the task force stepped up pressure on the company's major bank creditors, particularly Manufacturers Hanover, to cut Phelps Dodge's credit lines.

At the annual meeting, angry union stockholders accused Phelps Dodge of "financial mismanagement and irresponsible environmental practices." Phelps Dodge has shed at least $320 million in assets this year in response to company losses. Scurrying for cash by quick sales of stock will not begin to solve the serious problems of this company," Ball said.

Task force members also pushed to require Phelps Dodge to reduce pollution at the Douglas, Ariz., smelter, although that resolution failed. "Phelps Dodge is the only company in Arizona which refuses to take any steps to stop poisoning Arizona residents," charged Ball.

# Brock petitioned to reverse Rowland on field sanitation

A coalition of more than 30 labor, church and civil rights groups petitioned Labor Sec. William E. Brock to override his OSHA chief and issue a field sanitation standard to require that farm employers provide toilets and clean water for their workers.

The petitioners questioned the refusal of Occupational Safety & Health Administration Director Robert A. Rowland to come up with a standard. It said Rowland's determination is "not only contrary to the record developed . . . during the last 13 years, but also casts serious doubts about the department's good faith."

The petition was endorsed by the AFL-CIO and its Industrial Union Dept. and state central bodies in North Carolina, Texas, Ohio, Oregon and Pennsylvania, as well as by the Farm Workers. Also urging the Labor Secretary to reverse Rowland's action were the U.S. Catholic Conference, United Methodist Church, Episcopal Diocese of New York, OSHA Environmental Network and the Farm Worker Justice Fund.

The petitioners also stressed that Rowland ignored the advice of his professional staff, OSHA medical consultants and the recommendations of medical societies that testified in favor of a federal standard.

They noted also the "appearance of conflict of interest on the part of the current director." Rowland owns stock in Tennaco, Inc., whose agribusiness division could be affected by the decision.

The petition noted that OSHA's own consultants found that only one in four of the nation's agricultural employers provides toilets, drinking water and hand washing facilities for its workers.

Farm workers are 26 times more likely to have parasitic diseases than the general public, 85 times more likely to suffer diarrhea, three times more likely to suffer from chemical exposures and twice as likely to suffer from heat stress. In 1984, there were two instances of farm workers who died of heat stress for lack of water, the petition pointed out.

OSHA has estimated that it would cost the farmers less than $1 per day per worker to provide the sanitation facilities.

# Broad NLRB order hits Nebraska packer

Grand Island, Neb.— An administrative law judge of the National Labor Relations Board laid down a sweeping set of remedies for labor law violations committed by a beef packing company here in its attempt to break up a Food & Commercial Workers organizing drive.

Because of the "degree and pervasiveness" of the violations against two UFCW supporters—Patrice Blue and Dennis Nelson—the judge's remedy went far beyond restoring their jobs at Monfort of Colorado, Inc.

Under the judge's order, which still may be appealed by the firm, Monfort must mail copies of a notice to all employees pledging that it will not engage in the illegal activities it resorted to in UFCW Local 22's organizing campaign.

Monfort also must grant UFCW "reasonable access" to bulletin boards, rest areas and other locations for two years to communicate with employees about the union during nonwork hours, permit UFCW representatives to attend any meeting called by the company to discuss union representation with employees, and give the union equal time to address the workers. Monfort's president and owner, Kenneth Monfort, is required to personally read the notice of company violations at meetings of all employees.

These remedies are rarely used by the NLRB and only in cases of severe, repeated violations by a company.

### Four-year campaign

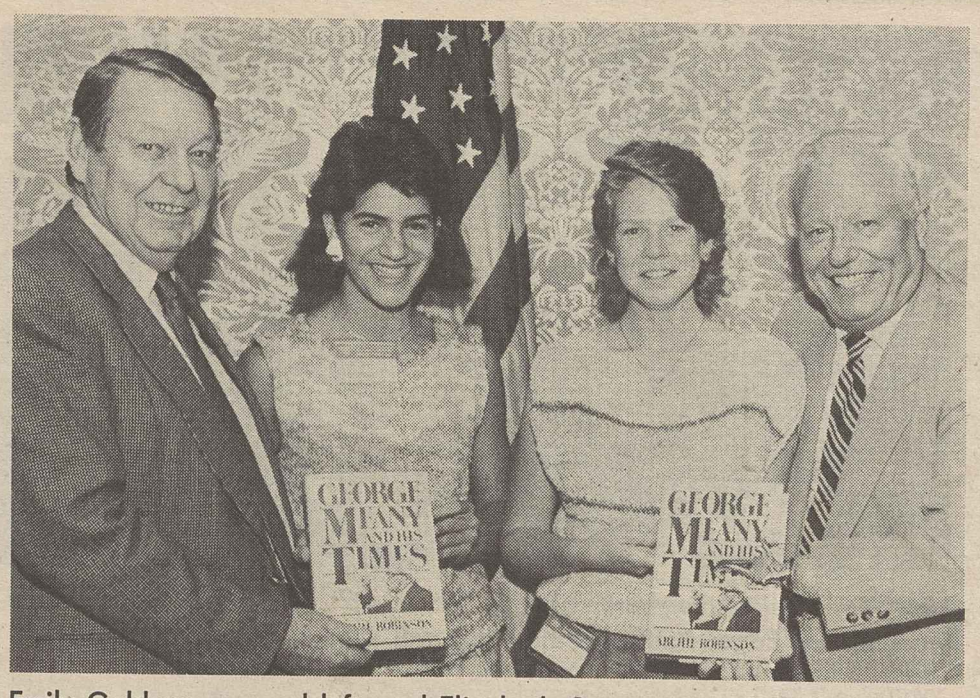
The case grew out of charges by the UFCW following its 1981 organizing drive at the Monfort plant. The union lost a representation election that year.

A second election in May 1984 was set aside by an NLRB regional director because of Monfort's labor law violations. A new election has been ordered but no date has yet been set.

The Monfort violations cited by Administrative Law Judge John H. West included illegal threats of plant closings, discipline of UFCW supporters and promising employees a bonus for voting "no union."

UFCW President William H. Wynn hailed the ruling, but warned "despite the preponderance of evidence, Monfort can still delay justice for these workers through repeated appeals of the administrative law judge's ruling."

Nelson, one of the workers whom the company was ordered to rehire, appeared last June before a joint hearing of two House Education & Labor subcommittees investigating delays by the NLRB in handling cases. At the time he testified, Nelson said he was in danger of losing his home through foreclosure because of the delay in his reinstatement.




Emily Goldman, second left, and Elizabeth Gatson, top winners of "Ability Counts" essay contest, get souvenir books from AFL-CIO Vice President Alvin E. Heaps and Harold Russell, right.

# *AFL-CIO honors students for essays on handicapped*

The labor movement is proud of its role in helping handicapped and disabled people participate fully in the workforce, but the battle to protect the rights of the handicapped cannot be won alone, AFL-CIO Vice President Alvin Heaps told the winners of the national "Ability Counts" essay contest for high school students.

The essay contest winners and their families were guests of the AFL-CIO at a luncheon held in conjunction with the annual meeting of the President's Committee on Employment of the Handicapped.

Heaps, chairman of the federation's Community Services Committee, pointed out that high unemployment and cuts in government social programs increase the difficulties of handicapped persons trying to compete in the job market.

Employment for the handicapped is "not a dream, but a God-given right," said Heaps, who is president of the Retail, Wholesale & Dept. Store Union. He urged the students to remember "the sights and sounds of this important meeting, and the dreams of those who seek opportunity."

Harold Russell, chairman of the President's committee also addressed the luncheon and urged the contest winners to carry forward their concern for handicapped persons. "If our country invests its dollars, talents and resources in its people, we can be the strongest force for good in all the world," Russell promised. Russell, a member of the Meat Cutters and Screen Actors, has appeared in movies and television programs dramatizing the concerns of disabled persons.

Elizabeth Tunney, vice chair of the President's Committee, and Joslyn N. Williams, president of the Metropolitan Washington AFL-CIO, also attended the awards luncheon.

The five national winners, along with 30 other state winners wrote on the theme "Work Independence for Disabled People."

First place and a $3,000 scholarship went to Emily Goldman of Texas; second place and a $2,500 scholarship to Elizabeth Gaston of West Virginia; third place and a $2,000 scholarship to Kerrin Mohr of Maryland; fourth place and a $1,500 scholarship to Melissa Mayo of Mississippi and fifth place and a $1,000 scholarship to Tammy Rigby of Idaho.

The students' trips to Washington were paid for by the AFL-CIO and its state federations.

# Independent role for social security agency endorsed

The Social Security Administration would function most efficiently as an independent, nonpolitical agency, the AFL-CIO said in a statement endorsing legislation being considered by a House Ways & Means subcommittee.

As an independent agency, the statement suggested, the Social Security Administration would not be subject to the frequent administrative and policy shifts it has experienced as a part of the Dept. of Health & Human Services. The AFL-CIO cited "as a painful recent example" the harsh policies adopted to disqualify persons receiving disability benefits.

In a related area, the AFL-CIO statement also urged that the social security trust funds be removed from the unified budget.

Under existing law, the separation is scheduled to take place in the 1992 fiscal year. There is no reason to wait that long, the AFL-CIO stressed in urging that the date of the budget changeover be advanced to fiscal 1987.

Even though social security taxes can only be used for payment of benefits, inclusion of social security payments and revenues in the budget calculations has been used to make the budget deficit appear smaller. Still worse, the statement noted, is the fact that "changes in social security benefits are considered not on their merits but on the basis of their impact on the overall budget deficit."

As for the current pressure to reduce the budget deficit by not paying the full cost-of-living adjustment on social security benefits, the AFL-CIO said, the nation's elderly should not be made the victims of "clever bookkeeping" designed to make the budget look better.

## Bipartisan coalition

# N.H. Senate defeats 'work' law proposal

**Continued from Page 1**

history. Unions are part of New Hampshire.

All of these groups, other affiliates, and unions outside the federation took part in a grass-roots lobbying effort that stressed the pattern of generally good labor-management relations and questioned why the "live free" state should bow to outside pressures.

As it had on several previous occasions, the House voted for "right-to-work" despite a bloc of GOP defections and the focus was on the Senate. If the vote had been taken immediately, the anti-union bill might have carried. But in the month between House and Senate actions, the tide clearly shifted.

The Republican majority leader in the Senate, Vesta Roy, announced her opposition to the bill. Republican Gov. John Sununu took no public position on the bill.

The state's biggest circulation and most conservative newspaper, the Manchester Union Leader, termed the measure "union-busting legislation" that would "do nothing to help the working man and woman." Its enactment would make New Hampshire a "laughing stock."

In the state capital, the Concord Monitor said the legislation would weaken unions "for no compelling reason" and would tip the scale of labor-management relations in New Hampshire "back toward the 19th Century."

A Senate committee hearing attracted such a big crowd that it had to be moved from the legislative office building to the hall of the House of Representatives. A 3-2 committee vote sent the bill to the Senate floor.

### Bipartisan opposition

During the 40 minutes before the vote, Democrats and Republicans alike spoke up against the anti-union bill.

Sen. James St. Jean, a Manchester Democrat, suggested that the "right-wing ideologues" who drummed up the campaign for a bill that isn't needed and that no one wants should "pack up their carpetbags and move on to somewhere else."

Another Democrat, Sen. Richard Boyer of Nashua, questioned the sincerity of employers who wanted a "right-to-work" law in order to protect workers. He remembers labor, but not any employers, lobbying for a minimum wage and safety in the workplace, Boyer told his colleagues.

Republican Charles Bond of Jefferson said he didn't like to go against his party's national platform which supports right-to-work, but stressed "the collective bargaining process has worked well" to everyone's benefit.

The rejection of the measure was hammered in by voice vote approval of a motion to postpone the House-passed bill indefinitely, a parliamentary device that virtually assures that the issue can't come before the legislature again until the 1987 session.

The state lobbyist for the "right-to-work" organization complained after the vote that senators were "intimidated" into opposing the bill by "labor lobbyists who roamed the halls all session and by the media."

From its Virginia headquarters, the National Right to Work Committee voiced regret at the outcome but said the effort will continue. One of its staff members was quoted as explaining that the "right-to-work" campaign was up against "the extraordinary political machine of the AFL-CIO."

Back in New Hampshire, State AFL-CIO President Eaton chuckled when the comment was relayed to him:

"Political machine? Is that what he said? Well, well."

# Tax law changes sought to subdue corporate raiders

**Continued from Page 1**

the expense of capital investment, research and development. In the long run, this way of doing business is the certain prescription for economic ruin," the AFL-CIO warned.

Whatever the outcome, the targeted company usually winds up burdened with extra debt. "Workers too often finance the costs of the raid by job losses or pay cuts. And consumers end up paying higher prices."

The council acknowledged that there is little chance that this Administration, with its "blind faith" in so-called "free markets," will support the broad array of government actions that should be employed to direct credit to productive uses and to protect workers and consumers.

But there should be "immediate action," the federation urged, to change the laws that encourage "the dangerous speculative excesses that feed the takeover epidemic."

# New cutbacks in federal data opposed

Restricting the flow of information from the federal government, as the Administration is proposing to do, would have a serious, destructive impact not only on organizations such as unions that rely on the data to help their members, but on the right of every citizen to be informed, the AFL-CIO warned.

To give the Office of Management & Budget control over what statistics are collected and disseminated would be to close off much needed information about the various facets of American life, Federation Research Director Rudy Oswald observed in his comments on a directive drafted by OMB and published in the Federal Register.

The proposal, which would give the budget office authority over all information-gathering activities by federal agencies, combines with previous actions of the Administration in cutting back federal statistics collection and distribution.

"We believe that many users will be priced out of the market or otherwise shut out of public policy debate by the procedures proposed," Oswald said.

In addition, efforts to turn over federal statistical programs to private industry and to impose full-cost user charges "further endanger the confidence of statistics users that the data they get will be reliable, unbiased, nonpartisan, objective, and easily available at little cost."

"Workers and the labor unions that represent them cannot compete in a market for information available only to those who can afford to pay a price set by profit-seeking organizations," he said.

Under the OMB proposal, federal agencies would have to show that the data they collect are essential to their mission and not likely to be gathered by the private sector, and that their benefits outweigh the collection costs.

### Other values

It's not that simple, Oswald suggested.

"No one could object to a rational plan to reduce costs and eliminate duplication in federal statistics programs," he said.

"However, your Mar. 15 draft circular states that 'the value of government information to the government is solely a function of the degree to which the information contributes to achieving agencies' missions.' This is a shortsighted view of the value of information to a broader range of statistics users.

"We need mission-related statistics but we also need statistics which do not necessarily meet a strict definition of mission-related."

In a speech to the Industrial Relations Research Association last December, Oswald cited three basic reasons why wage and industrial statistics are compiled:

- As an aid to facilitate collective bargaining or corporate wage setting,
- As background for public policy decisions involving minimum wages and maximum hours legislation to prevent worker exploitation, guideline mechanisms to deal with inflation, and wage setting for government employees.
- As data for economic research and analysis.

"These data must be collected by government because only government provides the objectivity necessary for the parties' acceptance in collective bargaining and because only government has sufficient influence to secure the cooperation of the various firms and unions in gathering the background information for both public and private decision making," he said.

Of OMB's proposal for more user charges, Oswald warned that public interest in availability of free or low-cost information "would be undermined by reliance on user charges."

# EDITORIALS

## A Common Concern

AMERICA'S FAMILY FARMERS are struggling to survive a crisis they did not cause. Thousands are being driven off their land as banks foreclose on overdue loans. High interest rates and tight credit are hitting farm families with tragic results.

Farmers and workers have a common concern, a strong mutual interest in an America where economic growth and social justice have higher priority than more tax loopholes and more benefits for the wealthy and for the big corporations.

We are convinced that a healthy agricultural system based on strong, prosperous family farms is essential to America's economic and social well-being.

One-third of the nation's 680,000 family-sized farms are in serious trouble with financial problems ranging from keeping up interest payments on outstanding loans to insolvency and bankruptcy. Nearly 300,000 have already been forced out of business in the last four years.

Falling farm prices have contributed to the decline in farm income and the drop in the value of landholdings. The overvalued dollar has seriously weakened traditional export markets for America's farm commodities.

AGAINST THAT background, the help-the-rich, pro-business Reagan Administration is calling for an end to basic farm programs without offering any realistic or permanent solutions to the problems of America's farm families. In fact, huge Reagan Administration budget deficits are the biggest factor in producing the high interest rates which so painfully afflict America's farm communities.

U.S. agricultural policy should be based on the principal of a fair return to family farmers for their labor. This means fair price, production, and income policies that enable family farmers to earn a decent living without loading benefits on giant agri-business or tax-shelter operations. The benefits of farm income-support programs should be limited to family farmers.

There must be a moratorium on farm foreclosures until realistic debt restructuring can take place. The Federal Reserve Board should allocate credit to family farmers, and interest rates should be reduced.

America's food abundance must be used wisely and compassionately. Better distribution of the nation's food abundance to needy people at home and abroad is essential. Hunger in America is a problem which the Reagan Administration is trying to minimize or ignore. In spite of the amazing productivity of America's farm families, the fight against hunger and malnutrition in America has suffered severe setbacks under the Reagan Administration.

*—From AFL-CIO Executive Council statement on farm policy, May 7, 1985, Washington, D.C.*

## To the Trenches

THE COPIER was still reproducing the AFL-CIO Executive Council's statement on corporate takeovers when a news item came in on the wire that couldn't have been more pertinent.

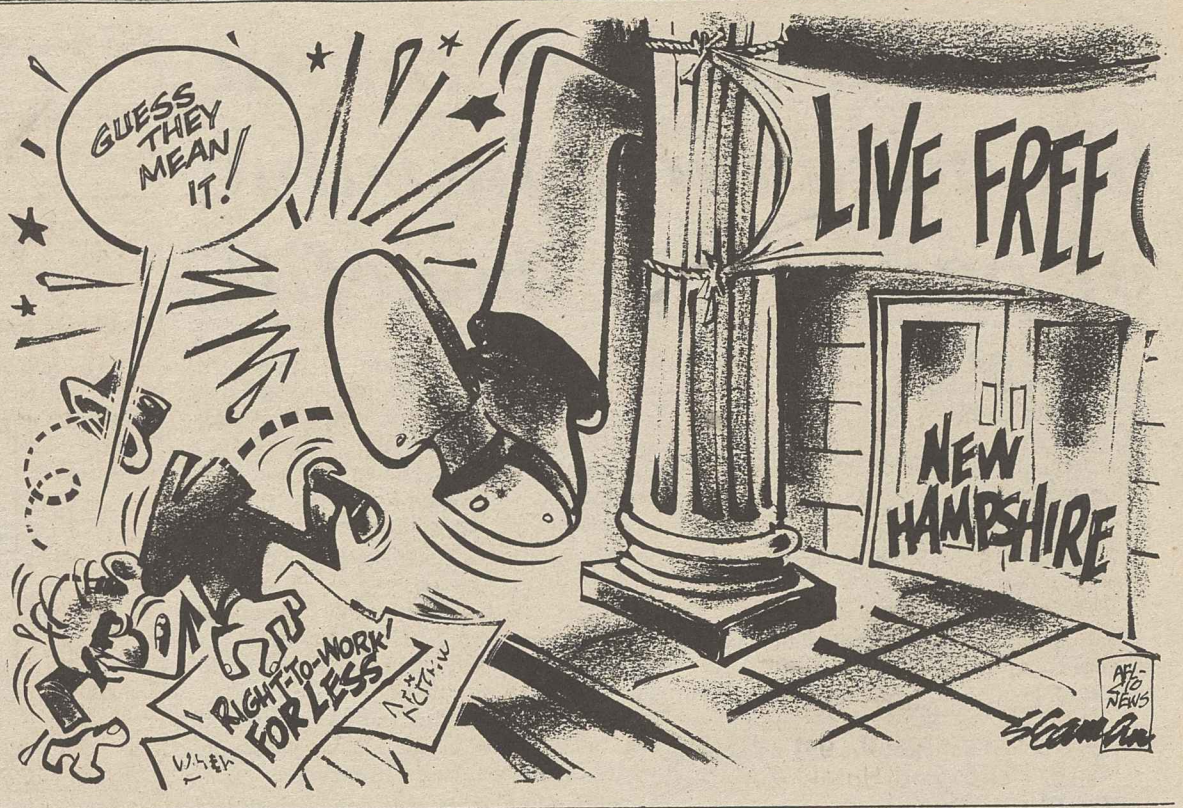
The council statement expressed concern at the impact on the economy of taking billions of dollars out of productive use to pursue or resist corporate raids.

It noted that plant shutdowns and layoffs are frequent by-products. And it warned that companies seeking to avoid takeover are impelled to "maximize short-term profits at the expense of capital investment, research and development."

The news clip dealt with actions taken by the Atlantic Richfield Co., better known as Arco, to fend off corporate raiders.

The company president announced a "financial restructuring" that will involve the layoff of from 4,000 to 5,000 workers. Arco will abandon copper mining, sell off refinery operations, and reduce capital outlays by $800 million. Then it will spend $4 billion to buy back up to 60 million shares of its own stock.

Point made.




**Washington Window**

# Reagan ignores hazards of festering toxic dumps

**By Press Associates, Inc.**

The 1,200 citizens gathered at Lincoln Park in Jersey City, N.J., recently might have been taken for any typical community rally but for the gas masks, respirators and kerchiefs covering their faces.

The paraphernalia were symbolic of the citizens protest of a nearby landfill, where chemical fires burning for 30 years have drenched the area with toxic fumes.

The residents and workers at a plant adjacent to the toxic dump said the fumes cause nausea, headaches and respiratory problems. One woman, a non-smoker, said her doctor was baffled by her recently diagnosed lung damage.

The Jersey City residents have every right to be angry. Four years ago, the 77-acre landfill was put on the U.S. Environmental Protection Agency's national priority list of hazardous waste sites that pose the greatest threat to human health and the environment. The listing made it eligible for cleanup under the federal Superfund program.

Unfortunately, Jersey City is not unique in its long wait for EPA action. The National Campaign Against Toxic Hazards recently reported that 90 percent of the 812 sites now on EPA's priority list will not receive even initial cleanup money from the five-year-old Superfund before it expires in October. The EPA has completed cleanup at only six sites over the period.

### Estimating the problem

The EPA estimated that 2,000 out of 22,000 hazardous waste sites to be evaluated for Superfund cleanup money eventually will make the priority list. However, the General Accounting Office estimated that 4,000 out of a total universe of 37,800 sites will make the priority list, and the congressional Office of Technology Assessment estimated that 10,000 toxic waste sites will require cleanup.

Specific studies linking health problems with toxic dumps are few, primarily because the White House Office of Management & Budget consistently vetoed the health assessment program mandated by Congress in the Superfund law until the Environmental Defense Fund began a lawsuit on the issue.

But Dr. Ellen Silbergeld, director of the ecology group's toxic chemical program, said the studies which have been completed found the "health of Americans has been significantly and materially damaged by exposure to hazardous waste."

### Health effects

Silbergeld said studies conducted on populations near toxic waste sites in Love Canal, N.Y., San Jose, Calif., and Woburn and Lowell, Mass., have found significant associations between hazardous waste exposure and childhood leukemia, severe birth defects and low birthweight. Other studies suggest abnormally high rates of other cancers, still births and miscarriages, sterility and kidney, liver and central nervous system damage.

The Reagan Administration apparently is unconcerned about the threat to health and the environment from toxic waste dumps. It has proposed a limited reauthorization of about $5 billion for Superfund.

This is despite EPA estimates of an eventual cost of $23 billion for 2,000 sites, GAO estimates of $39 billion for 4,000 sites and OTA estimates of $100 billion for 10,000 sites.

Labor, environmentalists and some members of Congress are pushing for a much stronger Superfund reauthorization. They have urged at least $10 billion to $14 billion in Superfund revenues, raised mostly through some combination of taxes on feedstock, chemical, petroleum and hazardous waste producers, with some additional money from general revenues. Labor also has urged a tax on imported chemicals.

In addition, they have called for the program to be amended to include mandatory cleanup schedules from EPA, effective cleanup standards, public participation and citizen suits, coverage of federal properties, victims' compensation, expanded health studies and effective protections for workers cleaning up toxic waste sites.

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# *Union members retain big advantage in value of pay, fringe benefits*

An AFL-CIO analysis of government data on union contract settlements in the first quarter of the year and over the past 12 months concludes that union-represented workers still do much better than non-union workers.

As of the end of March, union members averaged $11.64 an hour compared to $9 for non-union employees, a difference of $2.64 in wages alone.

The spread in total compensation costs —wages and fringe benefits combined— was even greater, $17.64 for union workers compared to $12.11 for non-union workers, or a difference of $5.53 an hour.

### Non-union 'dues'

The smaller paycheck is the "dues" the non-union worker must pay, Federation Economist John Zalusky said.

Zalusky's analysis is based on the value of paid leave, retirement plans, insurance, merchandise discounts as well as wages.

The Bureau of Labor Statistics reported that negotiated pay increases under major agreements—those covering 1,000 or more workers—in the first three months of 1985 turned upward, yielding an average first-year wage increase of 2.8 percent compared with 2.3 percent in the previous quarter and an average of 2.4 percent for all 1984 settlements.

Over their full term, the first-quarter contracts provide annual increases of 3 percent, compared with an annual average yield of 1.5 percent for agreements reached in the final quarter of 1984 and 2.4 percent for all major settlements last year.

The BLS report is based on 47 major contracts covering 173,000 workers.

For the 12 months ended in March, BLS found that employer cost for total compensation increased 4.8 percent for all civilian workers. Private sector compensation costs rose 4.4 percent over the period and local government compensation costs increased 6.3 percent.

Breaking out the data to show the union/non-union differential, Zalusky noted that while the rate of increase in total compensation costs for union members—3.5 percent—was less than that for non-represented workers, 4.9 percent, the figures do not tell the whole story.

"Much of what is being negotiated today is not wages," he observed. "Lump-sum payments, employee stock ownership plans, profit-sharing plans, employee job security plans, and other benefits that do not have an easily determined value were negotiated during this period but would not be included in the above values as wages or in some cases, as benefits.

"Direct lump-sum payments were a part of a number of settlements that followed the auto and aerospace patterns. These are not treated as wages in these reports as they do not affect benefits such as paid vacations, pensions and overtime as wages do.

"Yet they are a cash payment that is used as a wage."

Zalusky said the BLS series on settlements "needs to be rethought because it doesn't reflect current bargaining." For this reason, he said, union members are getting more than what the BLS data reflect.

### Time factor

Other factors also account for differing increases in wages and benefit costs between union and non-union workers, he noted.

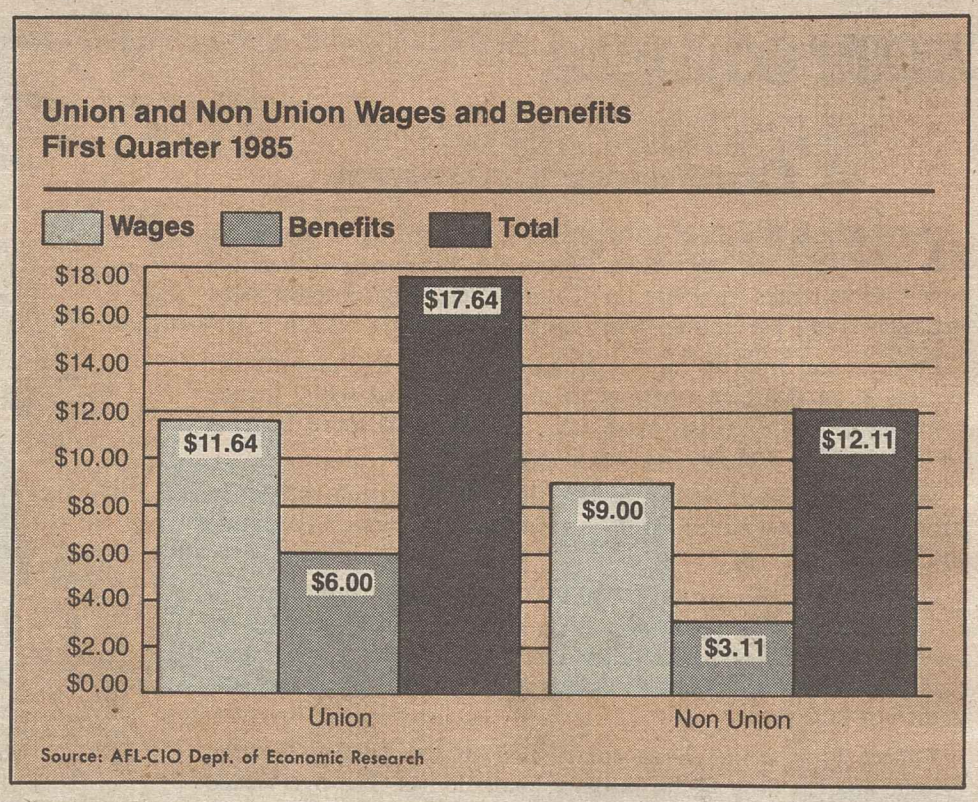
The average length of union contracts is 30 months, "and that creates a time lag in the ability of unions to renegotiate and react to changes in this economy."

Zalusky noted that settlements seem to have plateaued with fewer contracts resulting in compensation cuts or freezes. Manufacturing settlements seem to be low but stable, while construction and transportation are still troubled areas, he said.

A major problem for both union and non-union workers is that they are not getting their fair share in productivity improvements, Zalusky noted.

"Union workers have been doing better than non-union workers, and are staying ahead of changes in the cost of living. However, non-union workers have not been keeping up even with changes in prices," he said.

While the number of contracts settled in the first quarter of this year was small and covered only 173,000 workers, BLS said that about one million other workers were under major contracts that had expired during the quarter. Either their contracts had not yet been renegotiated or new agreements had not been ratified.




# Government pressed to take leading role on pay equity

AFL-CIO unions told a House Post Office & Civil Service subcommittee that the federal government has the responsibility to set the pace in achieving pay equity, and urged Congress to prod the Executive Branch to do so.

Rep. Mary Rose Oakar (D-Ohio), who heads the subcommittee, made clear her agreement. Oakar sharply criticized the U.S. Civil Rights Commission's rejection of the concept of pay equity and charged it with urging federal agencies to resist the comparable worth doctrine. She condemned Reagan Administration efforts to undermine "civil rights policies that have been a cornerstone of our nation's commitment to equal rights and opportunity."

AFL-CIO Vice President Barbara Hutchinson said the federal government, in dealing with its own sex-based discrimination, must now "demonstrate the political will to do what is right and eliminate past wrongs."

### Key element

Hutchinson, who heads the Women's Dept. of the Government Employees, called the determination of job content "the heart of pay equity."

The relative value of jobs, not the individuals performing them, should be the focus of any pay equity study, she stressed. Hutchinson said the Office of Personnel Management should be represented in any pay study. But "we would strongly protest using OPM to actually conduct the study," she said. Hutchinson recalled OPM's dirty-tricks memo proposing to manipulate a study of pay equity in the federal service in such a way that it "would immediately divide white-collar and blue-collar unions, pitting union against union," and both against what the memo termed "radical feminist groups." Hutchinson urged that federal workers' union representatives be included on the policy committee.

Connie Bryant and Florin Koole, testifying for the Communications Workers, told the subcommittee of CWA's efforts to eliminate sex discrimination at the bargaining table and progress in closing the wage gap. The union's Pay Equity Task Force develops and disseminates information on comparable worth.

Jobs women hold generally pay less than the jobs held by men, Bryant said.

"In some cases, CWA has found that women's jobs are paid less precisely because they are held by women and not because the skills, education or working conditions are any less strenuous, demanding or valuable," she testified.

"Our call for pay equity is no more and no less than our call for a minimum wage, child labor laws, or occupational safety and health provisions. It is, in fact, a call for the end to work place discrimination," she added.

The Service Employees submitted a study of pay differentials in Los Angeles County. It charged the county government with deliberately "maintaining sex and race segregated job classifications" and "discriminating in compensation paid to its female and minority employees." The union has filed a pay equity complaint with the Equal Employment Opportunity Commission.

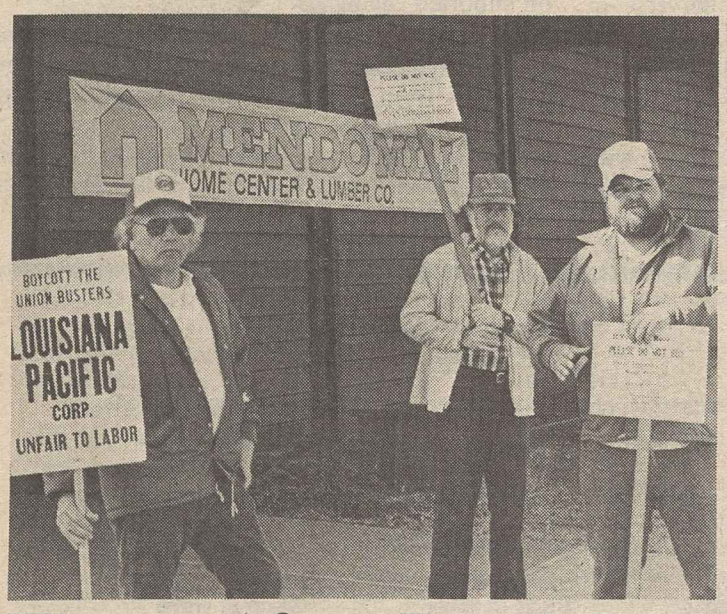
Eileen Stein, chair of the National Committee on Pay Equity, called the U.S. Civil Rights Commission "out of step with the rest of the country" on pay equity.

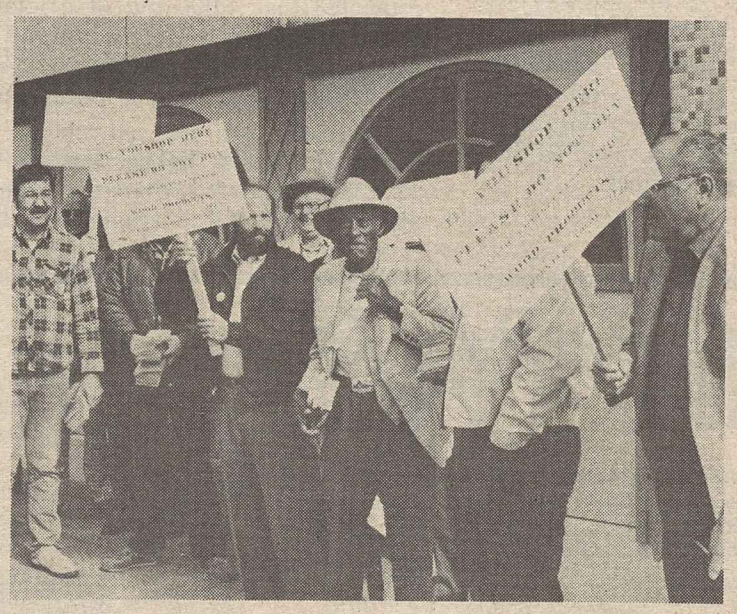
## Joe Crosswhite dies, headed Montana Fed

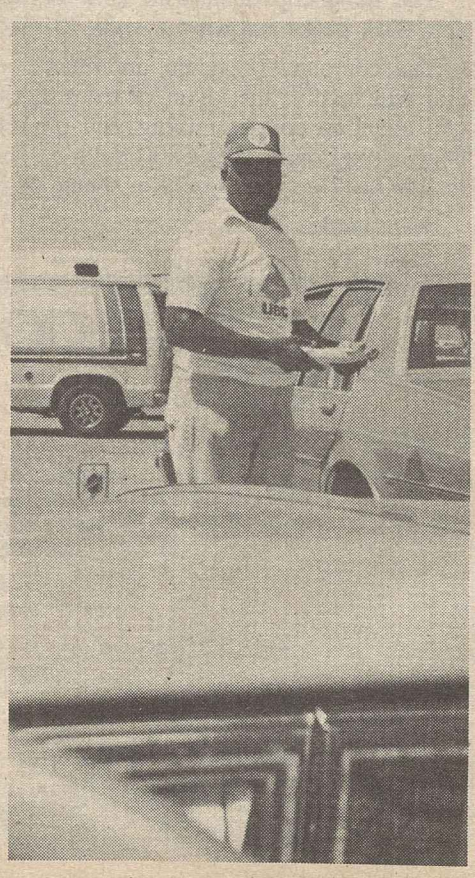
Columbia Falls, Mont.—Joe Crosswhite, a former president of the Montana AFL-CIO, died here on Apr. 27 after a long illness. He was 69.

Crosswhite had been a member of the Operating Engineers since 1940. During the 1960s, he was president of Flathead County AFL-CIO and the Kalispell Building & Construction Trades Council. He served as president of the state federation from 1963 to 1969.

Survivors include his wife Veronica, two sons and five grandchildren.





# Boycotting Louisiana-Pacific

Carpenters in Willits, Calif., Portland and Dallas were among thousands of UBC members and supporters who handbilled more than 600 stores nationwide, advising the public not to buy wood products made by Louisiana-Pacific. Some 250,000 leaflets were handed out as the union moved to broaden the boycott and raise the awareness of its nearly two-year-old strike effort. The May 4 handbilling was followed the next day by more than 100 L-P strikers from four Northwestern states attending the annual L-P shareholders' meeting in Grand Junction, Colo., where they introduced resolutions focusing on how the strike is affecting the company.

# Shipyard finds friendly crew at OSHA

## *Safety rules targeted by secret panel*

**By Arlee C. Green**

The Occupational Safety & Health Administration collaborated with representatives of the Newport News Shipbuilding & Drydock Co. in a private task force aimed at scuttling up to 70 percent of the agency's general industry rules covering shipyards, the Steelworkers charged.

The task force was set up after the Virginia-based firm had been cited for 617 violations of existing regulations. Its existence was revealed at a House subcommittee hearing, at which OSHA Administrator Robert A. Rowland came under fire for his management of the agency. Rowland owns between $15,000 and $50,000 worth of stock in Tenneco, Inc., the parent company of Newport News.

At that hearing, Michael Urquhart, president of the Government Employees Local 12 which represents 4,500 employees at the Labor Dept. including 300 at OSHA, testified that the safety agency's "experts close to the work believe that 60 to 70 percent of the present safety standards covering shipyard workers will be deleted or watered down."

### Agency position

Barry White, director of OSHA safety standards, responded to press inquiries the day after the hearing that the agency revision of the shipyard regulations would not cut back any standards.

USWA Safety Director Michael Wright said he suspected that the position announced by White was adopted "in the last couple of days when OSHA discovered that its dealings with the industry were going to become public."

Wright blasted the agency for setting up a secret task force and for denying workers representation on it. He said that although the task force had been in existence for four years, the USWA only learned of its existence in September 1984.

It immediately filed under the Freedom of Information Act for all the OSHA documents relating to the task force. The agency over a period of six months provided documents to the Steelworkers, but declined to give the union any internal memoranda on the subject of the shipyard safety code revisions.

The USWA represents 18,000 workers at Newport News. It was the union's pressure that prompted OSHA to inspect the giant shipyard in 1980. OSHA cited Newport News for 617 safety violations and assessed a record fine of $786,000. Most of the violations were cited under the general industry regulations.

The documents obtained by the Steelworkers under the FOI show that six months after President Reagan took office and three months after he appointed Thorne Auchter to head the safety and health agency, OSHA set up the eight-member shipyard task force made up equally of agency staffers and management personnel from Newport News.

The task force met for the first time in

**Continued on Page 4**

AFL-CIO news

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MAY 18, 1985

# Democrats' budget draft bars social security cuts



**Roll the Union On**

Impromptu session is strummed up during the seventh annual Great Labor Song Exchange at the George Meany Center for Labor Studies. The three-day program of workshops and song-swapping concluded with a concert featuring union favorites and new songs for working people. Headliners included 81-year-old John Handcox, second from left—who is now credited with writing Roll the Union On—Joe Glazer and others who joined in the pageant of music with a union label. (Story and more photos, Page 5.)

## Kirkland hails 'fair balance' of House plan

**By David L. Perlman**

House Democrats have shaped a budget alternative that will preserve full social security benefits, restore many of the program cuts voted by Senate Republicans, and match the dollar amount of "savings" projected by the latest version of the Reagan budget.

It will have labor's support when it comes to the House floor, AFL-CIO President Lane Kirkland said in a letter to Budget Committee Chairman William H. Gray III (D-Pa.).

Kirkland said the committee acted responsibly in rejecting a Senate-passed budget that would have pushed an estimated 600,000 persons dependent on social security checks over the poverty brink and wiped out "programs that aid and protect middle- and low-income Americans."

### Some shortcomings

The House Budget Committee version falls short of desired goals on a number of labor-supported programs. Kirkland expressed the AFL-CIO's dissent from the panel's cutbacks in revenue-sharing and a denial of a "much-deserved" pay raise for federal employees next year.

But he praised the committee's success in achieving "a fair balance in defense and domestic spending reductions." By contrast, the Senate version puts the brunt of deficit reduction on social security and other non-military programs.

The Budget Committee did not propose any revenue increases as part of its resolution. Kirkland strongly urged that House members be given "the opportunity to vote for a minimum tax on those profitable corporations and wealthy individuals whose tax-sheltered income has escaped effective taxation."

He wrote Gray that "such action would send a welcome signal to the American people that Congress is not only attempting

**Continued on Page 2**

## *Idaho court suspends state open shop law*

Boise—Idaho workers aren't bound by the anti-union "right-to-work" law the legislature enacted earlier this year, a state judge ruled.

The legislation has been petitioned to referendum through signatures collected by union volunteers. It will be on the ballot in next November's elections. The issue that has been before the courts is whether the ban on union shop agreements should take effect before the referendum.

The heavily Republican legislature, which passed the compulsory open shop law in late January over the veto of Democratic Gov. John Evans, had sought to assure this by adding an "emergency" clause to the legislation.

If the clause were valid, the measure would take effect at once.

Without such a clause, a law takes effect after 60 days unless, within that time, it has been petitioned to referendum. In that case, it is stayed until the voters have passed on its merits at the next election.

The Idaho AFL-CIO pointed out that there was no conceivable "emergency" that could justify the legislature's attempt to thwart the referendum process, and

**Continued on Page 3**

# Labor opposes Babson for NLRB seat

The AFL-CIO "cannot support" Marshall Babson or any other management advocate for appointment to the National Labor Relations Board, Federation President Lane Kirkland informed the Senate Labor & Human Resources Committee.

Kirkland's letter to Committee Chairman Orrin G. Hatch (R-Utah) dealt with President Reagan's nominees to fill two long-standing vacancies on the NLRB. The committee is considering—and is expected to routinely approve—the nominations of Babson and Wilford Johansen, who has headed the NLRB's Los Angeles region since 1971.

Babson's nine years of legal practice have been devoted to representing employers in labor relations matters, Kirkland noted.

Labor has no reason to think that Babson is "any better or any worse than the general run of lawyers who seek single-mindedly to advance management interests," Kirkland said. But, he stressed, members of the NLRB "should be distinguished neutrals who enjoy the trust and admiration of employers and employees."

### Neutral stance

The quasi-judicial agency was established to adjudicate disputes between management and labor, and its members should not be confirmed "advocates for one side or the other," he said.

Kirkland acknowledged that the Senate as a whole has confirmed other Reagan appointees to the NLRB who also had been management lawyers. But that does not detract from the AFL-CIO's opposition to such appointments, he stressed.

As for Johansen, he has been "a competent and conscientious civil servant" during his 27 years with the agency, Kirkland noted. The AFL-CIO takes serious exception to his handling of a case against the Louisiana-Pacific Corp. during a temporary assignment last year as acting NLRB general counsel.

But "taking his full record into account,

**Continued on Page 2**

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# House budget bars slash in social security COLA

**Continued from Page 1**

to deal with the budget deficit through sacrifice by all Americans but is also serious about fairness in taxes and is willing to make a substantial down payment toward both goals."

Kirkland termed the Republican budget adopted by the Senate "a catalog of broken campaign promises" and noted that the deficit cited as justification for cuts in needed programs more than doubled under President Reagan's Administration.

The alternative approved by the House Budget Committee includes:

- Restoration of cost-of-living protection that the Senate would cut from civil service as well as social security payments.
- Full funding for the Job Corps, which Reagan wanted to eliminate and the Senate would cut 30 percent.
- Continuation of mass transit subsidies the Senate would cut 20 percent.
- Full funding plus an inflation adjustment for Medicaid and no increases in out-of-pocket costs of Medicare—both programs that would be reduced under the Senate Republican version.
- Continuation of postal subsidies for non-profit organizations, to avert the big jump in mailing costs that the Senate resolution would require.
- A smaller cut in Amtrak passenger train subsidies than the Senate proposed.
- A 10 percent cut instead of total elimination of various programs, including the Economic Development Administration.

In only one major labor-supported program, revenue-sharing, was the House cut more severe than the Senate version.

The enormity and the complexity of the defense segment of the budget made exact comparisons difficult. And so did the impact of the Pentagon's announcement that it had "found" some $4 billion dollars in previously appropriated money that it could spend in addition to whatever new money Congress appropriated.

### Military spending

As generally described in news accounts, the Senate budget would let new military spending authority rise at the anticipated inflation level, while the House version would hold new spending authority to this year's dollar levels. But even under the House version, the actual dollar amount of defense outlays would continue to rise in response to spending decisions previously made.

Both budgets are commonly described as reducing the deficit by approximately $56 billion in the fiscal year that starts next Oct. 1. In fact, the total deficit would rise by an estimated $174 billion. But if existing programs were all continued at present projections, the estimated deficit would come to about $230 billion.

A corporate minimum tax, strongly backed by labor as a step toward fairness and toward reducing the deficit was not included in the House Budget Committee version, but it will likely be added to the resolution when the House takes up the measure.

Senate Republicans made some modifications in Reagan's original budget proposal—apart from "persuading" him to abandon his pledge not to tamper with social security and to accept a smaller rise in defense spending than he had sought. But in the end, the difference was less than once appeared likely.

Senate GOP leaders used the technique the AFL-CIO had anticipated in a letter to senators on the eve of the budget debate. They allowed moderate Republicans to claim "victory" by winning adoption of amendments to eliminate some of the most unpopular features of the President's budget. Thus the Senate voted to preserve the full social security COLA, and comparable provisions for the various government retirement programs. It held its majority together sufficiently to vote down the major Democratic alternatives.

### Repackaging

Then, the GOP leaders scrapped or watered down many of the changes made and came up with a package that more closely resembled the original budget proposal. The changes that were made to it, such as restoration of farm funds, were negotiated with a handful of senators whose votes were essential to passage.

Even so, with four Republicans voting against the budget and only one Democrat favoring it, the Senate vote was 49-49 before Vice President Bush exercized his prerogative of casting the tie-breaking vote.

# Magistrate rules against cutoff of disability benefits

New York—The AFL-CIO welcomed the recommendation of a federal magistrate here that the Social Security Administration be enjoined from its practice of disregarding court precedents relating to disability benefit payments, but adopted a wait-and-see attitude.

The magistrate's ruling stems from a class action suit filed last August by the American Civil Liberties Union on behalf of all those people in New York state whose claims for disability benefits have been turned down by the SSA since 1981.

The next move is up to Judge Leonard B. Sand of the U.S. District Court for the Southern District of New York. If he accepts the magistrate's recommendation, the Social Security Administration could be required to reopen as many as 25,000 cases of people seeking reviews.

Associate Director Larry Smedley of the AFL-CIO Dept. of Occupational Safety, Health & Social Security observed, however, that the problem of enforcement would still remain.

"The Social Security Administration may well continue to ignore these kinds of lower court rulings pending appeals, denying benefits to thousands of hard-pressed disabled Americans," he said.

The issue grows out of the Reagan Administration's over-zealous efforts to remove from the social security disability rolls beneficiaries that it says are no longer eligible.

### Bucking the courts

In a number of cases where beneficiaries have been restored by a U.S. Court of Appeals, the SSA has refused to apply the court's interpretation of the law to subsequent cases arising in the same judicial circuit. Thus, people with similar claims must go to court to preserve their benefits even though the court already ruled on the questions involved.

In the past four years, the SSA has reviewed some 1.2 million cases under a 1980 law and ordered 491,000 people off the rolls. Of this number 214,000 got back their benefits by appealing the cases.

Federal legislation enacted last year greatly restricted the SSA's review program, but did not go as far as organized labor had urged. A House bill would have required the SSA to abide by prior court decisions, but a Senate measure did not contain such a provision. In conference, the Republican-controlled Senate panelists won out, eliminating the House requirement.

### Marvin L. Williams to retire, president of Washington Fed

Seattle—Washington State AFL-CIO President Marvin L. Williams will not seek re-election to a fourth term. Williams, who is 63, told the state federation's executive board he plans to retire when his current term expires in January.

Williams first was elected president in 1980. Prior to that, he served 10 consecutive two-year terms as secretary-treasurer.

# *HRDI explores new ways to meet job training needs*

New ways of assisting workers stranded by plant closings and new programs to help overcome job problems facing the disabled were explored during a three-day national staff conference of the AFL-CIO's Human Resources Development Institute.

HRDI President Alan Kistler's opening remarks stressed the labor movement's continuing commitment to its jobless members. This is being demonstrated on a daily basis by job training programs in which HRDI staff members are working with unions, central bodies and state agencies, he said. Kistler noted also the high degree of success HRDI's handicapped placement specialists have had in programs serving disabled union members.

### Houston success

One new project, undertaken in Houston in cooperation with the Texas Employment Commission, has served more than 400 disabled workers since it began in January and has placed 96 in permanent jobs. AFL-CIO Community Services representatives, unions and rehabilitation agencies have helped locate handicapped workers who could be helped through such programs.

Acting Director Michael McMillan and other members of the HRDI staff reported on current activities across the country, funded through the federal Job Training Partnership Act. These include:

- Continuing reemployment programs for dislocated workers in Louisiana, Mississippi and Texas, with new projects planned for New Mexico and New York.
- The use of two mobile vans by the New Mexico program to provide immediate assistance in plant closings or major layoffs in the large but sparsely populated state. HRDI staffers will design job search assistance services tailored to the needs of the displaced workers and help generate community support.
- Surveys to identify dislocated workers as the first step in providing assistance, which have been undertaken by HRDI in cooperation with Steelworkers District 27 in Ohio and state central bodies in Louisiana and Mississippi.
- HRDI support services for labor-involved programs in the Tennessee Valley Authority to prepare construction workers for technological changes in their crafts. The craft-upgrading, including specialized skills involved in robot technology, is administered in Nashville, Tenn., and Muscle Shoals, Ala., by TVA and the Tennessee Valley Trades & Labor Council.
- The labor-operated Rocky Mountain Work Project, which placed 79 percent of its participants in permanent jobs at an average entry wage of about $8 an hour. Despite this record, the project was denied renewal of its federal funding and is winding down its services to dislocated workers in the eight-state region. It has, however, received additional support from the state of Colorado to continue some activities there.

# Babson opposed for NLRB seat on management ties

**Continued from Page 1**

the AFL-CIO does not oppose his nomination," Kirkland said.

Two of the three sitting NLRB members were management attorneys before their appointments—Chairman Donald Dotson and Patricia Diaz Dennis. The third member, Robert Hunter, was chief counsel for the Senate Labor & Human Resources Committee.

Babson, 39, was nominated to fill the vacancy left by Don A. Zimmerman for a term running through Dec. 16, 1989. Johansen would succeed Howard Jenkins, Jr., for a term expiring Aug. 27, 1988.

If both are confirmed, it would be the first time the labor board has been at full five-member strength since the fall of 1983.

# Rollcall on Senate budget

*The Senate on May 10 adopted a budget resolution that included elimination of the cost-of-living adjustment in social security and federal retirement pensions for next year, along with heavy cuts in other programs. The Senate was divided 49-49, but Vice President Bush cast a tie-breaking vote in favor of the resolution. Votes against passage were in accord with labor's position.*

## FOR LABOR'S POSITION

**Democrats 45**

| | | | |
|---|---|---|---|
| Baucus (Mont.) | Dixon (Ill.) | Johnston (La.) | Moynihan (N.Y.) |
| Bentsen (Tex.) | Dodd (Conn.) | Kennedy (Mass.) | Nunn (Ga.) |
| Biden (Del.) | Eagleton (Mo.) | Kerry (Mass.) | Pell (R.I.) |
| Bingaman (N.M.) | Ford (Ky.) | Lautenberg (N.J.) | Proxmire (Wis.) |
| Boren (Okla.) | Glenn (Ohio) | Leahy (Vt.) | Pryor (Ark.) |
| Bradley (N.J.) | Gore (Tenn.) | Levin (Mich.) | Riegle (Mich.) |
| Bumpers (Ark.) | Harkin (Iowa) | Long (La.) | Rockefeller (W.Va.) |
| Burdick (N.D.) | Hart (Colo.) | Matsunaga (Hawaii) | Sarbanes (Md.) |
| Byrd (W.Va.) | Heflin (Ala.) | Melcher (Mont.) | Sasser (Tenn.) |
| Chiles (Fla.) | Hollings (S.C.) | Metzenbaum (Ohio) | Simon (Ill.) |
| Cranston (Calif.) | Inouye (Hawaii) | Mitchell (Me.) | Stennis (Miss.) |
| DeConcini (Ariz.) | | | |

**Republicans 4**

| | | | |
|---|---|---|---|
| D'Amato (N.Y.) | Hawkins (Fla.) | Mathias (Md.) | Specter (Pa.) |

## AGAINST LABOR'S POSITION

**Republicans 48**

| | | | |
|---|---|---|---|
| Abdnor (S.D.) | Evans (Wash.) | Kassebaum (Kan.) | Roth (Del.) |
| Andrews (N.D.) | Garn (Utah) | Kasten (Wis.) | Rudman (N.H.) |
| Armstrong (Colo.) | Goldwater (Ariz.) | Laxalt (Nev.) | Simpson (Wyo.) |
| Boschwitz (Minn.) | Gorton (Wash.) | Lugar (Ind.) | Stafford (Vt.) |
| Chafee (R.I.) | Gramm (Tex.) | Mattingly (Ga.) | Stevens (Alaska) |
| Cochran (Miss.) | Grassley (Iowa) | McClure (Idaho) | Symms (Idaho) |
| Cohen (Me.) | Hatch (Utah) | McConnell (Ky.) | Thurmond (S.C.) |
| Danforth (Mo.) | Hatfield (Ore.) | Murkowski (Alaska) | Trible (Va.) |
| Denton (Ala.) | Hecht (Nev.) | Nickles (Okla.) | Wallop (Wyo.) |
| Dole (Kan.) | Heinz (Pa.) | Packwood (Ore.) | Warner (Va.) |
| Domenici (N.M.) | Helms (N.C.) | Pressler (S.D.) | Weicker (Conn.) |
| Durenberger (Minn.) | Humphrey (N.H.) | Quayle (Ind.) | Wilson (Calif.) |

**Democrats 1**

Zorinsky (Neb.)

*—Absent: East (R-N.C.); Exon (D-Neb.)*

## $3 million in back pay

# False testimony puts anti-union firm in box

A slip-up by an anti-union company will benefit 60 former employees of a Kansas City, Kan., paper firm, who will divide nearly $3 million in backpay as a result of a National Labor Relations Board decision.

"But the case is indicative of just how bad things have gotten in this country's labor relations," Paperworkers President Wayne E. Glenn observed.

"In large part, the only reason the workers got a measure of justice was because the company slipped up."

The case goes back to August 1981 when Inland Container Corp., purchased International Paper Co.'s corrugated box manufacturing plant in Kansas City. International ceased operations and laid off all 60 workers at the plant on Aug. 28.

Inland took possession of the plant on Sept. 2 and reopened it two and a half months later. While it hired the supervisory and nonunion clerical employees who had worked at the plant under International, Inland studiously avoided hiring any of the hourly production workers, all members of UPIU Local 522.

Initially, an NLRB administrative law judge took the word of management witnesses who denied that union affiliation was one of the criteria used in screening job applicants. But the truth came out in a separate lawsuit involving age discrimination charges filed by a number of former International employees who were denied jobs at Inland.

Inland's management insisted that age bias had nothing to do with the denial of employment to any applicant. In response to an interrogatory, the company cited four criteria it used to screen prospective employees:

- A preference for high school graduates.
- A preference for two to five years of industrial experience.
- The mandatory exclusion of any employees with previous corrugated box experience.
- An employee's "demonstrated willingness to work in a nonunion environment."

This reference to a "nonunion environment" was Inland's undoing.

### Conflicting testimony

The company earlier had insisted at a hearing on unfair labor practice charges that it did not automatically disqualify job applicants on the basis of union support.

When the UPIU brought the conflict in testimony to the attention of the U.S. Court of Appeals for the District of Columbia, the court directed the NLRB to reopen the case to consider the union's additional evidence.

Last month, NLRB Administrative Law Judge Gerald Wacknov ruled that the new evidence required a complete reversal of his earlier conclusion that management had told the truth.

Wacknov concluded that the testimony of management's key witnesses was "knowingly false." Adopting the judge's finding that Inland was "motivated by unlawful considerations," the NLRB held Inland to be a successor employer and ordered the company to offer jobs and backpay to the former International employees, if necessary discharging workers now holding their jobs.

The board also ordered Inland to bargain with Local 522.

NLRB Chairman Donald L. Dotson and Members Robert Hunter and Patricia Diaz Dennis signed the board opinion. In a footnote, however, Dotson said he had "reservations" concerning the need for Inland to bargain with the union, but went along with his colleagues "for institutional reasons."

# Idaho court stays open shop statute, backs referendum

**Continued from Page 1**

Judge Robert G. Newhouse of the state's 4th District Court said the unions had raised a serious question.

Idaho's constitution, he said, requires that there be a genuine emergency in order to bypass the usual procedure, "not just wishful thinking" on the part of the legislature.

"The evidence submitted to this court shows that there is a serious question as to whether or not there is an emergency," the judge concluded. And "if there is no emergency, then the legislature improperly enacted this emergency provision."

He granted a preliminary injunction barring the immediate enforcement of the "right-to-work" law. Attorneys for the state legislature can pursue a trial on the merits, in accord with the judge's order. More likely, they can seek to have the Idaho Supreme Court reverse Judge Newhouse and void the injunction.

State AFL-CIO President Jim Kerns said he expects an appeal. But as of now, he stressed, Idaho does not have a "right-to-work" law and workers remain free to negotiate union security.

The referendum in November will be part of an election in which voters will elect members of the legislature as well as the governor.

# James Gildea dies, assistant to Meany

Marina Del Rey, Calif.—James C. Gildea, an executive assistant to the late AFL-CIO President George Meany, died Mar. 15 after suffering a heart attack on a flight from Chicago to Los Angeles. Gildea, 62, made his home here.

In a message to Gildea's family, Federation President Lane Kirkland and Sec.-Treas. Thomas R. Donahue expressed their deep regrets.

A native of Hazleton, Pa., Gildea began his labor career as a member of the Textile Workers and the Retail Clerks. He joined a CIO staff in 1941. After military service, he served as assistant to the CIO secretary-treasurer and later as assistant to the secretary-treasurer of the AFL-CIO Industrial Union Dept.

In 1958, he became a special assistant to Meany and in 1969 executive assistant to the federation president.

In 1973 Gildea joined the U.S. Postal Service, where he became Assistant Postmaster General for labor relations. Earlier this year, he transferred to Inglewood, Calif., as sectional center manager/postmaster.

Survivors include his wife Mary Helen and three children. His son Michael is a staff representative with the federation's Dept. of Legislation.



AFL-CIO President Kirkland observes bricklaying skills of trainee at Weber Basin Job Corps Conservation Center near Ogden, Utah.

# Trainees hail labor's pledge to fight gutting of Job Corps

Ogden, Utah—AFL-CIO President Lane Kirkland said the federation will "fight to keep the Job Corps programs operating," despite the Reagan Administration's efforts to eliminate them.

Kirkland's pledge came during a 2½-hour tour of the nearby Weber Basin Job Corps Conservation Center. His words of encouragement were met with a standing ovation from the center's 210 students who were well aware of the efforts to close the nation's 107 Job Corps centers.

The Reagan Administration's fiscal 1986 budget package called for elimination of the Job Corps. The Republican-controlled Senate partially complied by voting a 30 percent slash in Job Corps funds in the fiscal 1986 budget package it approved by a 50-49 vote. The Democartic-controlled House is expected to vote full funding for the program, which was initiated 20 years ago as part of President Lyndon Johnson's Great Society agenda.

The Weber Basin Job Corps Center is one of a number operated by the building trades affiliates of the AFL-CIO. Represented at this center are the Bricklayers, Carpenters, Painters, Plasterers, and Operating Engineers. Students and instructors from the Clearfield Job Corps Center in Clearfield, Utah, which is operated by the Auto Workers, were also on hand for Kirkland's tour.

### Paying its way

At a press briefing, Kirkland pointed out that the Job Corps more than pays its way. He cited findings of a 1982 study that for every tax dollar spent on the hard-core disadvantaged youths enrolled in Job Corps skills training, $1.46 was returned in the form of tax revenues from the graduates' higher earnings, decreases in welfare costs and a reduction in crime.

The seven unions represented at Weber Basin and Clearfield along with the National Maritime Union have been with the program since the beginning and now train more than 6,000 youths each year in building trades, clerical and automotive skills.

Kirkland's visit to Weber Basin came during a side trip from the AFL-CIO regional conference in Salt Lake City. He had lunch with Job Corps Student Council President Rhett Runkle, Vice President Patricia Brown and Center Director Ted Larsen.

The sentiments of the Job Corps students, who are mainly high school dropouts and often from broken homes, were contained in a button presented to Kirkland on his arrival. It said simply, "We are family."

### National award

The AFL-CIO leader also received the national "Job Corps Works" award in recognition of his support for the program.

On the same day of Kirkland's visit, Rep. Dave Obey (D-Wis.) released in Washington the findings of a half dozen federal studies of the Job Corps that had been ordered by the Reagan Administration. Most of them had never been made public before, Obey pointed out.

"These studies tell us a good deal about the Job Corps, but a whole lot more about the way budget decisions are being made in this Administration," Obey said, noting that the attempt by the Administration to discredit the Job Corps program has backfired. All six studies strengthened the evidence in support of full funding for the program.

"In a year in which the President is asking for $15 billion in increased government spending and $30 billion is being transferred from domestic purposes to spending on defense and foreign affairs, Congress is being asked to eliminate a program which the Administration's internal reviews show is both working and saving tax dollars," Obey said, adding:

"Even if there were agreement with the Administration's view that billions of dollars should be transferred from domestic programs to spending on defense and foreign military support, the Job Corps is not a domestic program that any fair or right-minded person would choose for reduction."

# *Connecticut rejects 'con-con' edict*

The Connecticut senate, by a bipartisan 23-13 vote, defeated a resolution petitioning for a national convention to initiate a balanced budget amendment to the U.S. Constitution. Vice President Bush, Senate Majority Leader Robert J. Dole and other leading Republicans were among those who phoned GOP state senators urging support for the resolution.

Their efforts were in vain, despite the GOP's big majorities in both houses of the legislature. On the senate vote, 13 Republicans joined 10 Democrats in voting against a constitutional convention, with 11 Republicans and two Democrats supporting the move.

The state's labor movement, part of the coalition of organizations fighting "con-con," hailed the outcome. State AFL-CIO President John J. Driscoll noted that all Connecticut license plates carry the words, "the Constitution state." Connecticut's verdict, he said, is that the Constitution should not be recklessly tampered with.

Despite the heavy pressures from right-wing groups and the Reagan Administration, the Democratic and Republican leaders of both houses of the legislature had declared their opposition to the constitutional convention proposal. In the debate on the senate floor, one amendment supporter argued in vain that the issue was one of support for President Reagan's policies.

Thirty-two states have adopted constitutional convention calls, mostly in the 1970s when the move wasn't taken seriously. Proponents had hoped that the Republican capture of both houses of the Connecticut legislature last November would make that state the 33rd.

In California, a committee of the state assembly that had been considered favorable to con-con voted after hearings to reject a constitutional convention resolution. California is another state that has been on the right wing's target list of states.

One byproduct of the Connecticut action was to ease pressure on Congress to initiate a constitutional convention to head off the danger of a runaway constitutional convention that might seek an array of drastic changes in American government.



## Sadness in South Africa

Mourners carry the casket of South African black trade unionist Andries Raditsela, who died last week of injuries he suffered while detained by South African police. More than 25,000 persons marched in the funeral procession in Tsakane, S.A. AFL-CIO President Lane Kirkland cabled South African Prime Minister P. W. Botha charging that Raditsela's death fits a familiar pattern of black leaders dying while they are held under that country's preventive detention laws. The Executive Council called on the Botha regime to repeal the repressive laws and end apartheid.

# *Council statement modifies policy on internal disputes*

The AFL-CIO Executive Council at its spring meeting in Washington adopted a statement on the application of the Article XX Internal Disputes Plan under state laws that provide for exclusive representation of public employees.

In presenting the statement as a recommendation of the council's Article XX Review Committee, Sec.-Treas. Thomas R. Donahue said it results from extensive discussion of problems relating to internal disputes in the public sector. The object is to achieve a better resolution of such disputes, Donahue said.

The statement modifies the long-standing Massillon doctrine, so-named after a 1964 dispute involving representation of workers at the Massillon State Hospital in Ohio. The council's interpretation at the time was that where laws, regulations or practice restricted unions in the public sector to representation of their "members only," and no broader collective bargaining relationship could be established, affiliates in such situations were entitled to protection of the Internal Disputes Plan as to the employees they represented.

### Revised laws

The new council statement takes into account the spread in recent years of state laws that establish collective bargaining rights for public employees.

Text of the council's statements:

"Pursuant to its authority stated in Article XX, Section 13 of the AFL-CIO Constitution, the Executive Council has determined that the following modifications to the doctrine concerning the status of 'members only' relationships stated in the Massillon Hospital Case (No. 64-84) will advance the policies and purposes of that Article and should therefore be adopted.

"1. The Article XX Appeals Committee is authorized and directed: (a) to review the state laws providing for collective bargaining in the public sector presently in force to determine which of these laws incorporate a sufficient number of the essential features common to the Railway Labor Act, the National Labor Relations Act and the Federal Labor Relations Act to warrant application of the Article XX rule on the right of affiliates to seek exclusive representation presently followed in the federal and private sectors and to publish a list of such state laws on or before June 30, 1985; and (b) to conduct such a review of each state collective bargaining law enacted subsequent to June 30, 1985, and to determine within 30 days of its date of enactment whether that state law meets the criteria stated above and should therefore be added to the list of such state laws.

"2. It shall not be a violation of Article XX for an affiliate to attempt to secure exclusive recognition in an appropriate bargaining unit of public employees governed by a state law contained on the list referred to in the foregoing paragraph even though one or more affiliates have a 'members only' relationship covering employees in that unit unless that relationship is in a local government bargaining unit and has been granted special protection by such state law.

"3. This statement is not intended to affect either Article XX cases involving state or local government employees not covered by a collective bargaining law contained on the list referred to in Paragraph 1 above or Article XX cases growing out of organizing efforts initiated on or before June 30, 1985."

### 'McCarthy-like crusade'

# OSHA officials focus of harassment probe

Top officials of the Occupational Safety & Health Administration were wrestled to the congressional carpet over their aggressive new policy of attacking, not workplace hazards, but the agency's employees.

The House Post Office & Civil Service Subcommittee on Investigations questioned OSHA Administrator Robert A. Rowland, his top deputy, James R. Meadows, and health standards director Dr. Leonard Vance about a reported "kick-ass-and-take-names" policy, about politically motivated personnel actions and about efforts to get "communists" out of the agency.

Subcommittee Chairman Gerry Sikorski (D-Minn.) questioned Meadows about an anonymous memorandum charging that Meadows had told OSHA managers at a conference to "kick ass and take names" as a means of getting rid of those regarded as malcontents. As for civil service rules, the memorandum quoted Meadows as saying the victims could "hire an attorney and spend the next three years trying to get their jobs back."

Sikorski said he had called the hearing because "I am concerned by what appears from the news reports to be an almost McCarthy-like crusade for political conformity" within the agency. He said OSHA workers had told his staff they were "eager," but afraid to testify about the problems at the agency.

### AFGE testifies

Michael Urquhart, president of Government Employees Local 12 which represents 4,500 Labor Dept. employees including 300 at OSHA, told the subcommittee, "We have witnessed the systematic dismantling of a once proud and effective regulatory agency" under the Reagan Administration.

"We have seen the agency's top scientists and physicians forced to resign, or shunted aside. We have seen attempts to intimidate scientists and career staff to dissuade them from carrying out their duties in a responsible, professional manner," Urquhart said.

He charged that in at least seven instances OSHA employees were punitively transferred, demoted, or fired because they favored stronger enforcement. Rowland denied that the new managerial policy aimed at intimidating the workers.

Rowland introduced a memorandum dated Apr. 29 which said OSHA "absolutely support(s) the prohibitions regarding any actions by management officials which may be intended to harass, intimidate, or interfere with the right of employees." Sikorski pointed out, however, that the administrator's memo did not reach OSHA managers until May 3, after the subcommittee had scheduled its oversight hearing.

### Leaked comments

Citing confidential sources, Sikorski charged Rowland with having stated in a meeting with Under Sec. Ford B. Ford and other Labor Dept. officials that "OSHA is full of communists and I am going to root them out and cut their nuts off." Rowland denied having made the statement, but admitted he had heard others say it and he may have said, "Yeah, you're right."

The subcommittee also questioned Rowland about the termination of services of Dr. Dyann Waugh, an occupational health physician who had been under contract with the agency. Her contract was ended two weeks after she co-authored a memo protesting Rowland's plan not to issue a field sanitation standard to protect the nation's farm workers.

Dr. Leonard Vance, director of OSHA health standards, was questioned about an Aug. 12, 1982, staff memorandum which said he had termed language in the preamble to the proposed revision of the lead standard "communistic" and said the wording sounded as if the writer, Patricia Stewart, had been "trained in Moscow."

Sikorski said additional hearings are planned to take further testimony from agency managers and from Sec. of Labor William E. Brock, who was asked by AFGE Local 12 to investigate the allegations against Meadows.

# Virginia shipyard finds friendly crew

**Continued from Page 1**

June 1981. It evidently planned a quick revamping of the codes relating to shipyards and aimed toward a final draft of the new regulations by October 1981.

The Maritime Standards Task Force, as it was called, did provide Auchter with a report in 1982 which recommended that up to 70 percent of the general standards be dropped. The industry members of the panel wanted 70 percent of the rules not to apply to shipyards, while the staffers were looking to eliminate 20 percent.

Auchter, who left the OSHA post last year, took a keen interest in the proposed revisions, and in early 1983 he toured the 3½-mile-long Newport News facility. Shortly afterward, Edward Campbell, president and chief executive officer of Newport News, wrote to Auchter to reinforce the offer made by two other company officials "to provide whatever assistance we can to you and your staff in getting those standards published and adopted."

In April 1983, Auchter wrote to task force member Charles Klein, the company's director of safety, saying, "I will make every effort to assure that these new understandings on all our parts get translated into more appropriate and realistic safety and health standards for your industry."

In an August 1984 memo, Basil Needham, OSHA's director of maritime safety standards, recommended to White that the proposals made by the Newport News representatives on the task force to cut the regulations by 70 percent "be used as a base. By doing so, we are satisfying the vast majority of the industry. I strongly feel that the way I am proceeding is best for your office, OSHA, (former) Sec. (Raymond J.) Donovan, and the industry as a whole."

At issue is how many of the general industry rules will be eliminated from inclusion in the final shipyard codes. Also at issue is the allocation of staff and resources to accomplish the revision of the shipyard codes, an action that was requested by the industry, Wright said.

The OSHA proposed to revise the shipyard regulations is twofold. First, the agency is working on a long-term revision of the three main codes relating to shipyards. A second draft of the revisions of five of the 11 subsections of those codes is now being mailed to representatives of industry and labor, according to White.

Second, OSHA is attempting to provide an interim measure that will list those general industry regulations to be applied to the shipbuilding industry. White said a first draft of the interim rule was sent out recently for comment.

The decision not to include workers or their representatives on the task force apparently was Auchter's, White said. Questioned whether it was proper for the agency to set up a task force with representatives of the industry it regulates while excluding the workers OSHA is mandated to protect, White said, "It was an unusual way to proceed."

## Petition drive backed on Mengele

The International Labor Communications Association is cooperating with a petition drive for intensified U.S. government efforts to bring Nazi war criminal Josef Mengele to justice.

The campaign by C.A.N.D.L.E.S.—Children of Auschwitz Nazi's Deadly Lab Experiments Survivors—aims at obtaining at least one million signatures to present President Reagan on July 4. The organization will ask Reagan to press those countries suspected of harboring Mengele to hand him over to the proper authorities for trial.

Mengele was responsible for "medical experiments" on helpless children, including twins, at Auschwitz. There is evidence he may be in Paraguay.

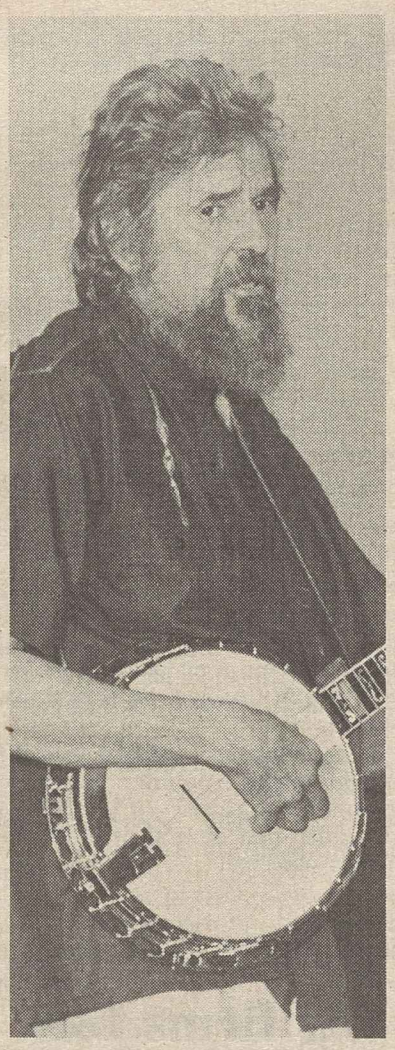
Mail to: C.A.N.D.L.E.S.
c/o R. Slotkin
55 West 95th Street
New York, N.Y. 10025

I support the petition urging the U.S. government to continue and intensify the effort to find and bring to justice the Nazi war criminal Dr. Josef Mengele, reported to be in Paraguay.

Name _____

Organization _____

Address _____



Guy Carawan on banjo.



Joe Glazer leads enthusiastic group at "song exchange" workshop.



Ann Romaine on autoharp.



Song swapping and comaraderie.



Rocky Peck on guitar.

# Labor song swap blends oldies, new goodies

**By Candice Johnson**

The audience at the finale of the seventh annual Great Labor Song Exchange hoped to hear "Solidarity Forever" and "Union Maid," and it wasn't disappointed. But the crowd of more than 200 people also heard a new generation of labor songs, today's music with a union label.

The concert was the highlight of a three-day program of workshops and song-swapping for 50 musicians, artists and labor historians from all parts of the country. Sponsored by the Labor Heritage Foundation, the exchange was held at the George Meany Center for Labor Studies in Silver Spring, Md., and provided an opportunity for union performers to share songs, ideas and enthusiasm.

Conference participants discussed the problems of promoting labor music and overcoming the notion that union songs are "an archaic art form." Among the suggestions were personalizing well-known songs and tailoring them to the workplace and using the style of music that best fits the membership, be it jazz, blue grass or rock and roll. Satire and parody, especially when based on actual workplace experiences, were viewed as effective tools in getting across the union message.

### Heroes, heroines

In one workshop, Tom Juravich and Alice Hoffman of Pennsylvania State University's Dept. of Labor Studies presented stories of union men and women as "unsung heroes and heroines," while a later session was devoted to labor theater.

The ties between labor and civil rights songs of the South were explored by James Orange of the AFL-CIO Industrial Union Dept. and John Handcox, an organizer for the Southern Tenant Farmers Union in Arkansas during the 1930s.

Handcox, 81, wrote dozens of poems and songs during the tenant farmers' campaign, including one of the most popular labor songs ever, "Roll the Union On."

Handcox was never credited for writing the piece until recently, when his work was recognized by folk singer Pete Seeger and labor performer Joe Glazer.

Seeger called "Roll the Union On" one of the greatest picket-line songs ever and raised the funds for Handcox's trip to the song exchange. Handcox, a member of the Carpenters, still sings occasionally at fund raisers and hopes his music makes a difference. "If my songs help make this a better world to live in, I think I did a lot," he said.

The three-day session was punctuated by impromptu song fests, and evenings were spent in informal singing sessions and practice for the final concert.

### Right-to-know blues

The two-hour program combined old favorites with new pieces on current issues. There were songs from Hotel Employees & Restaurant Employees Local 34's strike against Yale University as well as a plea for "a cure for the right-to-know blues" by Paul Landbergis. The Flight Attendants performed a musical skit on workplace problems 30,000 feet up, and Mary Trevor and Jeanne Mackey said what workers want in "Don't want no handouts."

# *Operating Engineers elect Dugan to succeed Turner*

J. C. Turner will retire May 31 as president of the Operating Engineers and become president emeritus, a non-salaried position, the IUOE announced.

Larry L. Dugan, Jr., sixth vice president and an assistant to Turner since 1979, was elected by the union's executive board to succeed Turner on June 1. His term will run through Jan. 1, 1989. The next union election will be in 1988.

Turner was first elected president of IUOE in 1975, after three years as secretary-treasurer and 16 years as a vice president. He was elected to the AFL-CIO Executive Council in May 1977, following the resignation of the late Hunter P. Wharton, who had been IUOE's president.

Turner has been a member of Washington's IUOE Local 77 since 1934. During the 1940s he was the local's organizer and business representative. He served as business manager from 1950 to 1971 when he was appointed legislative director of the international union.

He is a member of the executive boards of the AFL-CIO Building & Construction Trades Dept. and the Industrial Union Dept., as well as chairman of the federation's Standing Committee on Safety & Occupational Health.

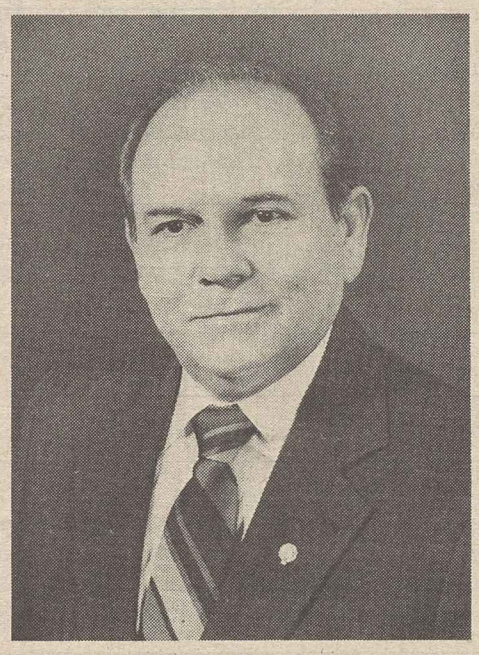
Active in political and civic affairs, Turner is a member of the Democratic National Committee and had been a delegate to several national conventions. He also served on the first District of Columbia city council.

Turner also is a trustee of the National Urban League and Catholic University and treasurer of the Leadership Conference on Civil Rights.

Dugan, 55, joined IUOE Local 428 in Phoenix in 1948 and served as a representative, organizer, executive board member, financial secretary and business manager until becoming an IUOE vice president and assistant to the president in 1979.

He held a number of elected offices in the Phoenix Building & Construction Trades Council, the Arizona Conference of Building Trades Councils, the Arizona AFL-CIO and Centarl Arizona AFL-CIO.

Dugan is chairman of the IUOE National Impasse Settlement Board and a member of the Associated General Contractors basic trades committee.



Larry L. Dugan, Jr.

# Uniroyal agrees to URW pattern pact

Akron, Ohio—The Rubber Workers reached a tentative agreement with Uniroyal, Inc., that matches the industry pattern, thus concluding this year's bargaining with the Big Four tiremakers.

The agreement, subject to ratification within the next two weeks, covers some 4,200 workers at seven plants. Those plants are in Eau Claire, Wis.; Mishawaka, Ind.; Naugatuck, Conn. (two plants); Painesville and Port Clinton, Ohio, and Opelika, Ala.

The package matches the industry pattern in that it provides for wage increases totaling 43 cents an hour over the term—25 cents the first year, 10 cents the second year and 8 cents the third year.

Also matched was the increase in monthly pension benefits of $3.50 per year of service along with an increase for current retirees of 50 cents per month per year of service. The health care cost containment program, initiated last September, was included in the package.

URW members have ratified the new contract with B. F. Goodrich, while settlements with Goodyear Tire & Rubber Co., and Firestone Tire & Rubber Co. are still being voted on. At Goodrich's Akron plant, URW members voted down a proposal by management that they pass up the raise of 43 cents an hour in exchange for a promise by the company not to close the plant during the life of the contract.

# IUE seeks broad range of gains at General Electric

New York—The Electronic Workers expect "a good settlement package" with "a broad range of contract improvements" from this year's bargaining with General Electric, IUE President William H. Bywater stressed as negotiations on a national agreement got under way here.

Bywater, who is chairman of the 13-union GE-Westinghouse coordinated bargaining steering committee, emphasized early retirement and other pension improvements among the union's bargaining goals as well as wage increases.

"The job security provisions of the current contract must be improved," he said adding that union security and improbed insurance coverage also top the list.

The IUE represents about 50,000 GE employees nationwide while the other 12 unions on the coordinated bargaining committee represent about 30,000. The IUE national contract expires on June 30.

Unions participating in the GE bargaining besides the IUE include the Steelworkers, Flint Glass Workers, Plumbers & Pipefitters, Machinists, Auto Workers, Carpenters, Sheet Metal Workers, Firemen & Oilers, Allied Industrial Workers, International Brotherhood of Electrical Workers, and the unaffiliated Teamsters and United Electrical Workers.

Most of the same unions also coordinate their bargaining with Westinghouse Electric Corp. The IUE represents about 6,000 Westinghouse workers whose contracts expire July 21.

# Drive picks up to plug corporate tax loopholes

A labor-supported grassroots campaign is helping significantly to build pressure on Congress to enact a fair-share corporation tax that would help significantly to reduce the deficit and fund needed programs the Reagan Administration wants to end.

That's the conclusion of the AFL-CIO Public Employee Dept., which is playing a major coordinating role in the campaign, on the basis of reports on the first month's activities.

The campaign got underway with news conferences in 35 cities on Apr. 15, the deadline for filing income taxes. At post offices that day, tax filers found volunteers—many of them off-duty union postal workers—circulating petitions from Citizens Organized to Restore an Effective Corporate Tax, their coalition of more than 30 public-interest groups, unions and other community-based organizations.

The petition drive has the strong endorsement of the AFL-CIO, and while the PED is coordinating much of labor's participation, the campaign has enlisted support across the union spectrum. A number of AFL-CIO central bodies are pressing the effort at state and community levels.

Federation President Lane Kirkland, in a statement of support for the petition drive, said citizens across the nation "are appalled by the widespread practice of tax avoidance." He urged members of all AFL-CIO unions to help build the pressure on Congress for a fair-share tax that will prevent giant corporations from escaping their responsibilities to the nation.

The petition, reproduced on this page for tearout and copying for use by union members, expressed outrage that corporate tax loopholes allow firms with billions in profits to escape taxation, while other taxpayers pay their full share.

Tens of thousands of signatures were obtained on the campaign's opening day and the various cooperating groups have accumulated others that are being turned over to the coalition.

Instead of taking a breather during the summer months, the campaign is being intensified. The goal now is to collect one million signatures by Labor Day to send a message to Congress and the Administration that Americans want tax fairness.

Along the way, there will be a series of attention-getting events. One project in the planning stage involves Fourth of July protests targeting those companies with the most notorious record of tax avoidance.

The coalition is also broadening the network of cooperating organizations, and local coordinators have been scheduling petition circulations at shopping centers and public gatherings. The various groups are also planning direct follow-up contacts with members of Congress on their home-district visits.

The PED's interim report said the news conferences launching the project, as well as the petition-gathering activities that followed, have been a major factor in the growing focus in Congress on a corporate minimum tax.

"It is more than coincidence that the momentum behind corporate minimum tax proposals has picked up on Capitol Hill over the past several weeks," the PED report observed.

## CORECT

### Citizens Organized to Restore an Effective Corporate Tax

## CITIZENS PETITION
### To Restore the Corporate Tax

We, the undersigned taxpayers, pay our fair share of taxes and more. It's time for our largest and most profitable corporations to pay their fair share too.

As people who pay our taxes, we are outraged by the $90 billion in corporate tax loopholes which allow General Electric, W.R. Grace & Co., and hundreds of other corporate tax avoiders to pay little or nothing in taxes.

When federal deficits are a problem, handouts to corporations are NOT the answer. By putting corporations back on the tax rolls, we can reduce the federal deficit and actually cut taxes for middle- and low-income taxpayers.

In the interest of fairness to *all* taxpayers, we hereby petition the Congress of the United States to repeal these special interest loopholes and restore the corporate tax.

| Name | Street address | City | State/Zip code |
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# EDITORIALS

## Courage and Mischief

THERE IS good news and bad news in the continuing battle to prevent the Constitution of the United States from being desecrated by a mischievous amendment to require a balanced federal budget, regardless of the nation's need or the condition of the economy.

The good news comes from Connecticut, where a heavily Republican state senate rejected a resolution petitioning for a national constitutional convention to initiate such an amendment. And that despite a full-court lobbying press by the Reagan Administration, including calls by Vice President Bush to Republican state senators. In California, too, a committee of the state assembly has blocked, at least for now, a similar resolution.

The bad news comes from the U.S. Senate, where a 5-0 vote by a Judiciary subcommittee signaled a clear and present danger that lack of political courage will cause Congress to initiate a balanced budget amendment that would be unworkable at best and devastating to the economy at worst.

IT WAS PERHAPS not surprising that a Senate Judiciary subcommittee headed by Orrin G. Hatch (R-Utah) approved the balanced budget amendment offered by the chairman of the full committee, Strom Thurmond (R-S.C.).

The amendment is, after all, part of the credo of the Republican Party's right wing. It has allowed President Reagan and his supporters in Congress to duck their responsibility for the huge growth in the federal deficit under their stewardship.

More surprising is the fact that the amendment was reported out of subcommittee by a 5-0 vote. This is the sort of "pass-the-buck" philosophy that has led so many state legislatures to vote to convene a constitutional convention that would bypass Congress and initiate a balanced budget amendment directly.

Along the way, otherwise responsible legislators of both parties have chosen to leave it to someone else to stop the momentum. In Congress, senators have counted on the House to block action, and it is to that body's credit that it has thus far done so. But it is indefensible that such an unsound and undemocratic proposition should advance even to the brink of acceptance.

ON THE SURFACE, the amendment approved by the Senate subcommittee leaves an escape hatch. Congress could approve specific outlays that exceed anticipated revenues by a three-fifths vote of the total membership of the House and the Senate. Clearly, the effect of such a rule would be to enshrine the power of a minority to veto the judgment of a majority.

President Reagan could, of course, propose to Congress a balanced budget, and it would be instructive if he did so.

Would such a budget decimate the military defenses of the United States? Or would the President's proposals dismantle entirely programs that both parties and the American people clearly support? If social security payments are threatened with cuts under the budget adopted by the Senate, what could we expect under the balanced budget straitjacket?

In Connecticut, recognizing a clear and present danger, members of both parties had the political courage to stand up for principle—and the Constitution.

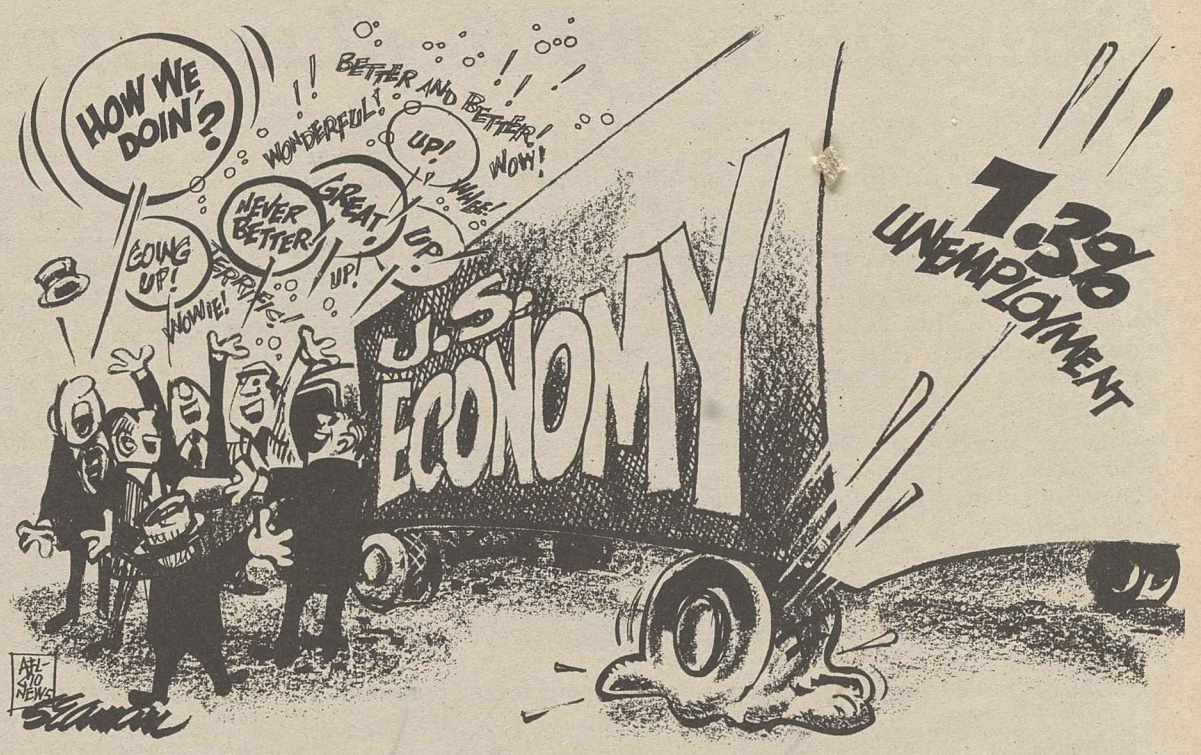
Members of Congress should do no less.

## A Cause for Us All

THE PETITION for corporate tax reform on the facing page is intended to be clipped out and used by any willing union member who does not already have petitions to circulate.

The decline of the corporate tax as a source of revenue has been a major factor in the growth of the federal deficit. The restoration of that tax can be a significant step toward reducing the deficit and meeting the nation's needs.

The public sector unions which have done so much to focus attention on the problem have performed a national service. But the cause is one for the entire trade union movement to embrace. It stands for fairness and it affects every American taxpayer.




**Washington Window**

# Reagan's memory short on 'vital' role of Job Corps

**By Press Associates, Inc.**

At a celebration marking the 20th anniversary of the Job Corps youth training program last September, President Reagan sent a warmly worded telegram, calling it a "vital program in keeping with the American spirit of helping others to reach their full potential—a spirit that has sustained our nation from its very founding." The November elections were six weeks away.

In February, the re-elected President sent Congress a budget proposing a new round of large cuts in domestic spending, including the termination of the Job Corps and nearly a score of other programs. The Job Corps received $617 million this year.

In April, this program Reagan had called "vital" just seven months earlier had become, in the President's words, one of "those programs whose costs outweigh the benefits." Continuing, he said, "It's estimated that each job created through the program costs the taxpayers $15,200. That's almost equal to sending a student to Harvard for one year."

Reagan evidently pulled his $15,200 figure from David Stockman's Office of Management & Budget (OMB), an agency which has become notorious for putting a price on everything and a value on nothing. But in this case, even the quoted price was seriously misleading.

### Real cost

Actually, while an individual Job Corps training "slot" costs $15,200 a year, several individuals may occupy that slot during the course of a year. Thus the real cost is the one used by the Labor Dept. in last year's budget submission—$5,252 per trainee.

Sen. Orrin Hatch (R-Utah) accused OMB of "using false data and improper conclusions" regarding the Job Corps. Hatch, who used to view the program skeptically as an offspring of the 1960s Great Society, now is among its vocal supporters, as are other congressional conservatives. Hatch has seen it work in his state, turning the "hard-core" jobless into productive and tax-paying citizens.

Hatch, who chairs the Senate Labor & Human Resources Committee, also was impressed by a long-range study by Mathematica Police Research, Inc., which showed that for every $1 spent on the Job Corps there was a $1.46 return to society in terms of increased employment, reduced welfare payments and less crime.

Job Corps trainee Sandra Williams, 19, interviewed by the New York Times in a training center in Washington, D.C., said, "It's really straightened me out to be here." Without the program, "I'd either be in jail or out hustling," said Williams, who is learning building matenance.

### Success rate

Refuting OMB statistical manipulations which tried to show a low success rate, Job Corps officials put the fiscal year 1984 success rate above 75 percent. More than 60 percent of its 98,809 trainees last year found jobs or entered the military while another 15 percent went on to further education or training.

The Job Corps is the only federal training program targeted specifically at young people facing a lifetime of poverty and despair. Four out of five of its enrollees have not finished high school; 38 percent have arrest records; 91 percent meet the government's definition of "economically disadvantaged." Removed from their disruptive environments, these young people learn discipline as well as job skills in 107 residential centers throughout the country.

Trade unions have been involved in the program from the beginning. Today thousands of union members are Job Corps graduates employed as painters, plasterers, cement masons, carpenters, bricklayers, operating engineers, clerks, cooks, auto mechanics, and railway and airline clerks.

With youth unemployment about 18 percent and the black youth jobless rate over 40 percent, the loss of the Job Corps would be a national disgrace.

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Sandinista police turn back union marchers with force, demanding that they have a permit to march.

# *Nicaraguan unions hit disruption of May Day march by Sandinistas*

Managua—The independent Confederation of Labor Unity (CUS) called on the Sandinista government to halt its "unjustified aggressions" against free trade unions in Nicaragua following a union May Day protest against government economic policies and repressive actions.

In a letter to President Daniel Ortega, the CUS leadership charged that "shameful and aggressive actions" by the Sandinista police were used to break up the union demonstration.

"We felt, Mr. President," the letter said, "that after the victory of the Nicaraguan people over the Somoza dictatorship, the working class would have a right to engage in public demonstrations and to celebrate its International Labor Day or any other event without any obstacles or intervention on the part of the government or its forces.

"However, CUS continues to be subject to a discriminatory treatment on the part of the authorities from the Ministry of Labor and the judicial system through a systematic rejection of recognition to the labor unions recently organized by CUS, through annulment of the pertinent legal status to other existing unions, the unjustified imprisonment of some of our leaders, the raiding and occupation of our central union headquarters by the Sandinista police, and a great number of other actions against CUS and its leaders."

What precipitated the protest letter was a clash between the police and some 450 workers represented by CUS and the Confederation of Nicaraguan Workers, another independent union, during the May 1 demonstration.

### No permit

After attending a mass said by Cardinal-designate Miguel Obando y Bravo at El Calvario church here, the workers were stopped by police as they tried to march to the spot where CUS Sec.-Gen. Luis Medrano Flores was assassinated by Somozan troops in 1978. Fighting broke out as police challenged the demonstrators for having no march permit. CUS and CTN leaders responded that they had never needed a permit before.

"This is an example of the Nicaraguan government's attitude toward labor," William C. Doherty, Jr., executive director of the AFL-CIO's American Institute for Free Labor Development said in Washington.

Following the mass, CUS and CTN members began to form in front of the church for the planned march to Medrano's gravesite. Shortly after the march got under way, 40 armed Sandinista police confronted the union members and ordered them to return to the church.

After 10 minutes of shouting back and forth, the police lined up and began to push the marchers back. Some hurled plastic bags filled with water, sticks, and fruit at the police who nonetheless managed to drive the marchers back some 30 yards before the group halted.

Suddenly, a government truck filled with young "turbas," or Sandinista sympathizers, pulled up behind the police. The turbas jumped from the vehicle, approached the unionists, and began to engage them in a running verbal battle.

"Communismo, no, Democracia, Si!" the union members called out in reply.

The police eventually separated the two groups and pushed the union members back to the church where the protest continued for at least another hour.

CTN leader Carlos Huembes said he felt the government's charge of marching without a permit was trumped up. The unions had never before had to ask permission to march on May Day, he said.

# Texas UFW wins fight for jobless aid law

Austin, Tex.—The Farm Workers spearheaded the winning drive for a new Texas law that extends unemployment compensation coverage to the state's 150,000 farm workers.

Gov. Mark White (D) signed the bill into law earlier this month, ending a 50-year exclusion that denied farm workers jobless benefit protection.

"Farm workers are some of the poorest paid workers in Texas," said Rebecca Flores Harrington, Texas director of the UFW. "They have been historically excluded from all the forms of job protection the rest of the industrial workers take for granted. With this bill, they will be entitled to the same protection as other workers from an unforeseen job termination."

The Farm Workers' efforts were augmented by those of the Texas AFL-CIO and the Texas Conference of Churches.

Harrington noted that the UFW's lobbying actions included giving every state legislator a green pepper with a note attached pointing out that farm workers pick the foods everyone eats.

### Court decision

Major impetus for enactment of a just law came from a decision by State District Court Judge Harley Clark on a class-action suit filed by the UFW. Judge Clark ruled that the exclusion of farm workers under the Texas Unemployment Compensation Act was unconstitutional. The court ordered the Texas Employment Commission to pay benefits to farm workers.

While the state law for industrial workers covered those employers who paid more than $1,500 a quarter in wages, the provision for farm workers covered only those employers paying wages of more than $20,000 a quarter. It was this double standard the judge ruled unconstitutional.

The signing of the new law was the second significant victory for the UFW in the past nine months. The legislature last year approved a bill that brought the farm workers under the state workers' compensation law from which they had been excluded for 70 years. That bill was approved after the exclusion was held unconstitutional in a decision also issued by Judge Clark of Austin.

# Accords set with 3 airlines, deadline nears in United talks

The Machinists ratified new contracts with Eastern Airlines and USAir and the Transport Workers reached a tentative agreement with American Airlines.

Meanwhile, ALPA and United Airlines resumed talks as a May 17 strike deadline neared.

The central issue is United's proposed tiated new contracts with the Machinists two-tiered pay scale that would reduce salaries of new pilots from existing rates. ALPA represents 4,900 United pilots.

United, which led the airline industry in revenues last year, has already nego- and the Flight Attendants.

"The AFL-CIO strongly supports your determination to secure a fair contract with United Airlines, and stands ready to assist you in your struggle if you are unable to achieve justice at the bargaining table," Federation President Lane Kirkland said in a telegram to ALPA's negotiators.

The Eastern pact, approved by 61 percent of those voting on it, restores an 18-percent wage cut in effect since last year when workers made the concession to help the financially troubled union.

Five percent of the cut will be restored retroactive to Feb. 1, and 4 percent will be restored retroactive to Apr. 1. The remainder will be paid back on a quarterly basis through the life of the contract as productivity gains are registered.

On Feb. 1, 1986, the 12,000 IAM mechanics at Eastern will get a 6-percent wage hike. Additional increases of 4 percent and 3 percent will be given in January 1987 and July 1987, respectively.

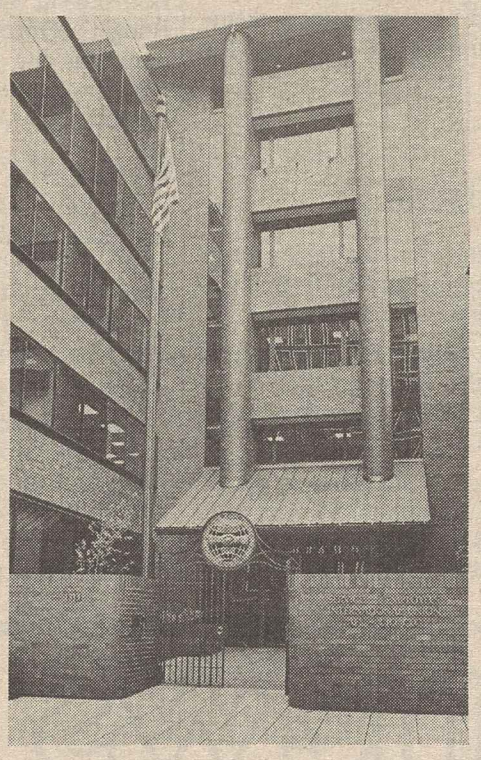
Eastern still is negotiating with the Transport Workers, which represents flight attendants. The Air Line Pilots ratified a new contract in March. The carrier's creditors had pressed it to reach new agreements with all three unions by May 15.

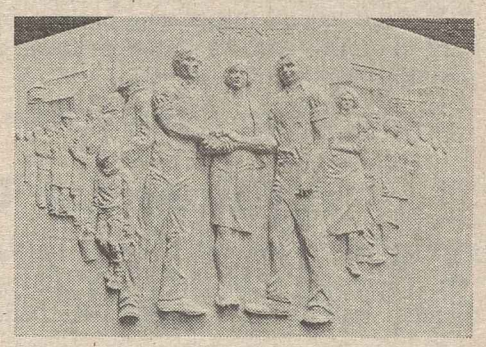
The IAM's three-year package provides USAir's 2,140 mechanics and ground workers a pay increase of 9.9 percent over the term of the contract, while setting a lower rate for new hires during the first five years.

### New rates

Top hourly rates for mechanics will go from $16.65 under the previous agreement to $18.30 in January 1987. Utility workers' rates are raised from $11.92 to $13.10, while stock clerks' pay goes up from $13.79 to $15.17 per hour. The scale for new hires is 18 to 25 percent lower than the starting rates under the last contract, but the top rate is reached in five years.

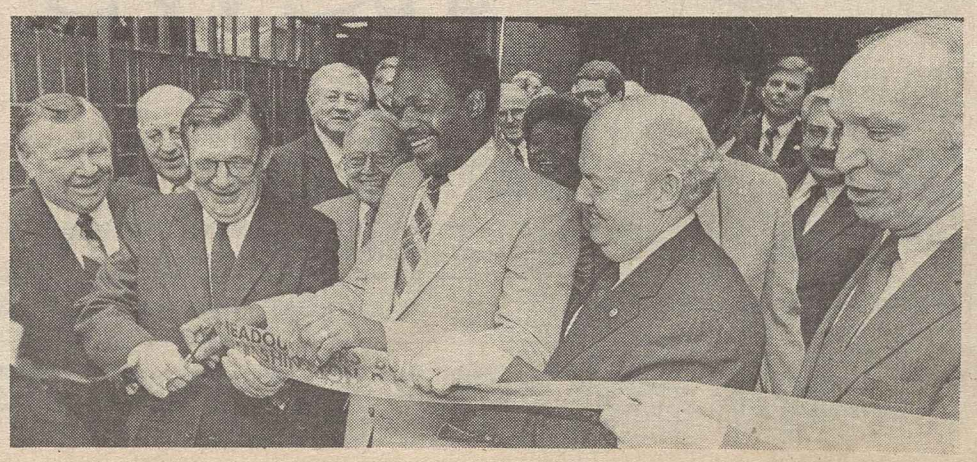
The TWU agreement with American Airlines covers nearly 12,000 ground workers. TWU Vice President Ed Koziatek said that the terms of the proposed package, which was unanimously recommended for membership approval by the bargaining committee, are being explained in unit meetings. Ratification procedures should be completed by around May 18, Koziatek said.





## Open house

AFL-CIO President Lane Kirkland and Washington Mayor Marion Barry open the new seven-story Service Employees headquarters, flanked by SEIU Sec.-Treas. Richard W. Cordtz left, SEIU President John J. Sweeney, and AFL-CIO Sec.-Treas. Thomas R. Donahue. The relief at the building's entrance depicts labor's progress, from the days of early factory workers to today's expanding SEIU membership.



# Reagan scheme for cut-rate youth wage protested

## *Federation cites need for higher minimum*

The AFL-CIO asked Congress to reject the Reagan Administration's proposal for a subminimum youth wage and focus instead on providing a more adequate pay floor for workers of all ages.

Today's $3.35-an-hour wage is already subminimum, AFL-CIO Legislative Director Ray Denison testified at Senate hearings. It would have to rise above $4 an hour just to restore the buying power eroded since the last minimum wage increase was enacted.

Under the Administration proposal, employers would be able to hire teenagers at $2.50 an hour in the summer, and could continue to hire students year-round at the low student rate that is now in effect.

Denison told the Senate Labor & Human Resources Committee that the AFL-CIO opposes the Administration bill and other subminimum youth proposals because it:

- Discriminates against young workers.

**Continued on Page 4**

## *Young workers, students demand equal pay*

A drenching rain couldn't dampen the enthusiasm of high school students meeting on the steps of the Labor Dept. building in Washington to demonstrate against the Reagan Administration's plan to pay teenagers less than the minimum wage.

Nearly 1,000 young people braved the weather to demand "equal pay for equal work" from Labor Dept. officials and Congress. The White House has proposed that employers be allowed to pay 16-19-year-olds $2.50 an hour for summer jobs, instead of the $3.35 an hour minimum wage.

The rally was organized by the Coalition for Youth, Jobs & Fair Wages, representing 40 youth groups including Frontlash, the AFL-CIO youth organization. Bus loads of teenagers came from New York, Philadelphia, Baltimore and other East Coast cities for the protest. One group traveled all night from North Carolina.

Coalition coordinator Bill Morton

**Continued on Page 4**

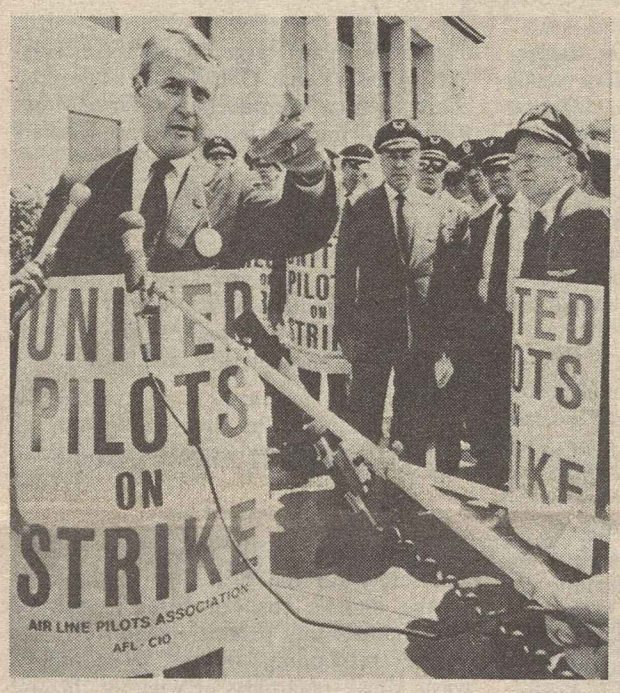
AFL-CIO news

VOL. 30, NO. 21
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MAY 25, 1985

The American Federationist

PAGE 5

# Sluggish economy threat to jobs






ALPA President Henry Duffy holds a picket-line press conference on United Airlines strike in Washington, while striking pilots serve a spaghetti dinner at their union hall to senior citizens stranded in San Francisco.

## *Striking pilots ground 85% of United flights*

Union solidarity was running strong as the Air Line Pilots' strike against United Airlines entered its second week.

The two sides resumed negotiations after the start of the May 17 walkout, but failed to resolve differences over a company demand to sharply lower pay of new pilots.

With 96 percent of the 5,200 United pilots honoring the union's picket lines, the nation's largest carrier had to cut its flight schedule by 85 percent. Of the carrier's normal load of 1,580 daily flights,

**Continued on Page 14**

## Budget conflicts facing House-Senate conferees

**By David L. Perlman**

A House-Senate conference will determine whether social security recipients get a cost-of-living increase or the Pentagon gets more next year.

It will seek to resolve also differences between heavy slashes made by the Senate in a range of domestic programs and a House-passed budget that avoids meat-ax cuts and in most cases holds spending to present levels.

The Democratic House will send to the conference table a delegation bolstered by decisive votes rejecting social scurity cuts and refusing to exempt the huge military budget from the restraints placed on domestic programs.

They will face Republican-led Senate negotiators seeking to defend a patchwork budget compromise that squeezed through only by a tie-breaking vote cast by Vice President Bush.

By contrast, the House approved intact, by a convincing 258-170 vote, the blueprint shaped by Democratic members of its Budget Committee. It was praised by the AFL-CIO as a responsible approach that "strikes a fair balance" between defense and domestic needs.

On the way to passage, the House decisively defeated alternative budget proposals that would have eliminated or reduced cost-of-living adjustments in social security benefits and federal pensions. It also rejected higher ceilings for new military spending. Despite the fact that the budgeted amount for defense is held at current levels, carryover funding will al-

**Continued on Page 14**

## *Growth rate sags to .7% in first quarter*

**By James M. Shevis**

Sluggish growth in the American economy of only seven-tenths of 1 percent for the first quarter of the year is a clear sign that the country is headed for trouble, the AFL-CIO warned.

"This slow growth will cause even more unemployment," Federation Research Director Rudy Oswald said. "A sustained growth of 3 to 4 percent is needed to prevent joblessness from getting worse."

Unemployment, now at 7.3 percent, has remained near that high level for the past year after improving somewhat from the Reagan Recession of 1981-82.

The Commerce Dept. originally estimated that "real" gross national product (GNP) grew at a 1.3-percent annual rate during the January-March period. That preliminary report gave way to an even slower rate of growth, however, as more figures came in.

Real GNP is the measure of production of all goods and services in the economy adjusted for inflation and seasonal variations.

### Import surge

The small first-quarter growth in the economy was strongly influenced by the nation's continuing trade deficits. Exports dipped at a seasonally adjusted annual rate of 2.3 percent during the quarter as imports surged 11.3 percent.

The January-March rise in real GNP compared with a 4.3-percent rate of increase in the fourth quarter of 1984 and a gain of 6.8 percent recorded for all of last year.

The gloomy first-quarter figures rein-

**Continued on Page 13**

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5/25/85

## LEGISLATIVE ALERT!

PAGE 16

## Tough U.S. sanctions asked to shift South Africa's path

A tough U.S. sanctions policy would go a long way toward bringing pressure to bear on the South African government to change its racist practice of apartheid, the AFL-CIO declared as Congress turned to legislation aimed at hastening dismantlement of the system.

South Africa's official policy of racial segregation along with other infringements of freedom, such as preventive detention laws, effectively deny blacks the basic tools needed to organize and control their own institutions, Federation Sec.-Treas. Thomas R. Donahue told a Senate Foreign Relations Committee hearing.

Donahue said that democratic institutions represent "the best alternative to the bloody resoluion of conflict." He warned that "if violent revolution comes to South Africa, there will be no winners, only unimaginable suffering."

Donahue's appearance before the Senate panel came as the House opened debate on a bill that would impose economic

**Continued on Page 3**

# *Plant closing legislation backed as 'first step'*

Workers and communities should be entitled by law to advance notice of plant closings and an opportunity to explore alternatives, Auto Workers President Owen Bieber insisted at House hearings.

Bieber supported as a "first step" the bipartisan bill introduced by Representatives William D. Ford (D-Mich.) and Silvio O. Conte (R-Mass.). The measure would require firms to provide at least a 90-day notice of a plant closing or a permanent layoff of 50 or more workers.

Employers could shorten the notification period by persuading the Federal Mediation & Conciliation Service that "unavoidable business considerations" require a shorter notice.

The bill would also set up a bipartisan national commission to develop programs to avert shutdowns and assist dislocated workers. Where workers are represented by a union, the employer would be required to explore alternatives that might save the jobs.

Two subcommittees of the House Education & Labor Committee are holding joint hearings on the Ford-Conte bill, which is a modified version of labor-supported bills introduced in previous years. Rep. William D. Clay (D-Mo.), who heads the Labor-Management Relations subcommittee, said the legislation "does not go nearly as far as I think is needed" but could command broad support in Congress. In the last Congress, Clay's subcommittee approved a bill requiring six to 12 months notice of a plant closing but it didn't get to a vote in the House.

### Disruption widespread

AFL-CIO Legislative Director Ray Denison reiterated the federation's support for the measure in a letter to Clay, noting that no section of the nation and no industry has been immune to the disruption of plant closings.

It has hit the Sunbelt as well as older industrial areas, Denison noted. He cited steel, auto, glass, rubber, clothing textiles, machine tools, electronics—even computers — as industries that have had shutdowns.

"The entire fabric of the U.S. economy is being affected," Denison said, and the impact is "devastating" to workers involved.

Despite the bipartisan sponsorship, both the Chamber of Commerce and the National Association of Manufacturers testified in opposition to the bill.

The Chamber protested that the advance notice requirement would amount to "usurping management's prerogatives" to make business decisions. And the NAM suggested that plant closings would be so difficult to achieve that businesses would tend to continue operating inefficient plants instead of taking measures to become more competitive.

Bieber warned the House panels that the problem of plant closings is not going away and that decisions "made behind closed corporate boardroom doors," without public scrutiny, carry enormous economic and social impact on workers and their communities. Of some 5 million jobs permanently lost in the past five years, half were the result of plant closings, he noted.

### Preventive law needed

Legislation is needed, Bieber urged, to prevent companies from shutting down "in the dead of night—giving little or no notice and refusing to discuss their decision with the union."

Bieber cited as an example the plight of employees of the Ferro Mfg. Corp. in Mount Pleasant, Mich., who were put on a short-term layoff for a normal inventory period. But starting that night and into the weekend, trucks secretly loaded machinery and stripped the plant of all its heavy equipment.

"This is just one example of the irresponsible and callous company action that workers are confronted with," Bieber testified.

# House panel faults OSHA

**The Occupational Safety & Health Administration is failing in its duty to protect workers employed at hazardous waste sites, the House Government Operations Committee found.**

**Its report, unanimously adopted, was based on hearings by a subcommittee headed by Rep. Barney Frank (D-Mass.). It called on OSHA to move promptly to develop a new standard for toxic cleanups and to give priority to enforcing existing standards at cleanup sites.**

**"OSHA's record of enforcement in the hazardous waste industry can only be described as dismal," Frank reported. He pointed to "a Catch 22 system under which OSHA targets its inspections toward industries and employers with poor health and safety records. Because few toxic waste sites have been inspected in the past, this industry has no record on which OSHA can base future targeting of inspections."**

**The committee report also criticized OSHA for limiting its right-to-know hazard communication standard to manufacturing industries.**

**"Clearly, hazardous waste workers have an urgent need for such information because everything they are required to handle is potentially dangerous," Frank stressed.**

# Federal laxity called peril to toxic cleanup workers

The AFL-CIO urged Congress to protect workers engaged in hazardous waste cleanup operations and assailed inaction by the Reagan Administration despite the requirements of the 1980 Superfund law.

The federation asked legislation to direct the Occupational Safety & Health Administration to issue a comprehensive permanent standard and to provide interim coverage for these workers until a standard is adopted.

AFL-CIO Vice President J. C. Turner, chairman of the federation's standing committee on occupational safety and health, told the House Education & Labor Subcommittee on Health & Safety that the "greatest need is for a set of comprehensive standards governing toxic waste sites."

Turner said an effective OSHA program to protect workers who are cleaning up the nation's toxic waste dumps should include continuous training, engineering controls, work practice rules on cleanup operations, medical monitoring on a regular basis, exposure monitoring and effective right-to-know rules.

At issue is the safety of up to one million workers, Turner said, as the cleanup of toxic wastes has become a growth industry. Turner, who is president of the Operating Engineers, said that "the magnitude of the problem is mind-boggling and the dimensions of the workers' safety and health problems are directly proportional to the magnitude of the toxic waste problem."

### Lacklustre effort

Turner noted that the Environmental Protection Agency has estimated that there are between 16,000 and 22,000 abandoned toxic waste sites in the United States and some 2,000 of them present an immediate danger to the public. Of these 2,000, only six have been cleaned up under the federal Superfund law.

Superfund authorization expires in September and Congress is considering reauthorizing legislation as well as funding levels needed to increase the attack on these toxic sites.

Margaret Seminario, the federation's industrial hygienist, urged congressional action to assure that OSHA acts to develop comprehensive permanent standards within a specified time period to protect workers at toxic waste sites.

To protect workers in the interim, Seminario said legislative action is needed to codify OSHA's ability to take enforcement action through its general duty clause and to "provide guidelines that should be used as an interim standard pending the promulgation of a comprehensive standard."

Seminario's testimony was presented to the subcommittee by Jim Ellenberger of the federation's social security department.

### Fire Fighters concerns

Richard M. Duffy, director of health and safety for the Fire Fighters, testified to the union's concern for the lack of health and safety protections afforded fire fighters responding to fires at hazardous waste sites—regardless of whether the site falls under the jurisdiction of the Superfund program.

IAFF members have suffered reactions from exposure to chemical wastes, Duffy testified.

The union worked with the National Institute for Occupational Safety & Health following an explosion and fire at the Bern Color Co., in Poughkeepsie, N.Y., in January 1984, he said.

NIOSH analyzed the protective clothing worn by fire fighters in extinguishing the blaze at the plant which stored large numbers of chemicals used in producing dyes.

It found that many of the garments were perforated by acid burns and contaminated with chemicals. It would have been more expensive to decontaminate the clothing than to replace it, Duffy said.

It is these types of incidents that point out the need for "extensive research to be performed in the area of developing chemical protective clothing, decontamination procedures, combustion byproducts, and acute and chronic medical surveillance programs and adequate training for fire fighters," Duffy said.

# Court to review state ban on firms flouting labor law

The Supreme Court will review a labor-supported Wisconsin law that bars firms that have a record of federal labor law violations from doing business with the state.

The Wisconsin law, enacted in 1981, disqualifies firms that have been found guilty of violations of the National Labor Relations Act three or more times during a five-year period, or in contempt of court for not having complied with NLRB orders. The penalty is disqualification for three years.

A company disqualified from state contracts because of its bad labor law record, Gould, Inc., argued successfully in federal district court and before the 7th U.S. Circuit Court of Appeals that Wisconsin had legislated in an area pre-empted by federal labor law. One of the company's arguments, accepted by the appellate court, was that the purpose of the National Labor Relations Act is remedial, not punitive, and that Wisconsin could not go beyond the federal regulatory agency to impose a punishment.

In challenging that decision and seeking Supreme Court review, Wisconsin Attorney Gen. Bronson LaFollette argued that Wisconsin has the same right as any other purchaser of goods and services to choose the companies with which it will do business.

The state's position, he said, is that it can "elect not to deal with law violators, be they organized crime, tax delinquents, or NLRA recidivists."

In another action, the Supreme Court refused to review and thus made final court rulings barring Taca International Airlines from moving its pilot base to El Salvador—thus running out on its long-standing bargaining relationship with the Air Line Pilots.

The airline, while chartered in El Salvador, has been based in New Orleans since 1949 and was once owned by TWA. The ALPA, which represents Taca's 44 pilots, both American and Salvadoran, charged the airline with seeking to use a provision of El Salvador's constitution as a union-busting tool.

Under the court order now in effect, the airline is barred from relocating the pilot base, unilaterally changing terms of employment, recruiting replacement pilots, or otherwise interfering with the pilots' choice of ALPA as bargaining agent.

## Mel Barisic dies at 63, retired NMU official

New Suffolk, N.Y.—Mel Barisic, who retired as secretary-treasurer of the National Maritime Union in 1978, died May 9 after a heart attack at his home here. He was 63.

Barisic joined the NMU in 1942. He held a number of official positions with the union before he was elected secretary-treasurer in 1973.

# Federation files plea to restore hearing rule

The hearing conservation amendment to the federal occupational noise standard should be reinstated, the AFL-CIO urged in a brief filed with the 4th Circuit U.S. Court of Appeals.

The federation charged that a three-judge panel of the appeals court erred in concluding that the hearing conservation amendment impermissibly regulates non-occupational noise.

The court panel struck down the amendment last November in a precedent-setting ruling that the Occupational Safety & Health Administration exceeded its authority because the amendment's requirements are triggered whenever an employee suffers a "standard threshold shift" loss in hearing, even though such a loss may have occurred from non-occupational noise. A "standard threshold shift" in hearing ability is measured from a baseline hearing capability and represents a hearing loss of 10 decibels.

The federation's brief pointed out that OSHA has determined that workers who have already suffered a hearing loss of at least 10 decibels face even greater risks from continued exposure to high levels of workplace noise that workers whose hearing has not been impaired.

In supporting OSHA's request for a full court rehearing of the case, the AFL-CIO stressed that the "sole purpose of the hearing conservation amendment . . . is to protect workers from the hazard that is posed by workplace noise at levels of 85 dB or greater—levels which OSHA found to pose significant risk of material impairment."

The brief charged that the court panel, in striking down the entire amendment when it objected to only one part, erred in its reasoning as "nothing in the amendment has the purpose or effect of regulating conditions outside the workplace."

## Import relief needed

# Trade panel affirms shoe industry's plight

By Arlee C. Green

The International Trade Commission in a unanimous ruling found that the American shoe industry and its workers have been injured by the deluge of footwear imports that in March had captured more than 80 percent of the domestic market.

The ITC said it will recommend remedies next month and President Reagan will then have 60 days in which to accept, reject or modify those remedies.

"It is good news for American shoe workers that the (ITC) has recognized that the flood of imported footwear is seriously injuring our country's domestic shoe industry, and that the opportunity for effective relief measures presents itself," Food & Commercial Workers President William H. Wynn and Clothing & Textile Workers President Murray H. Finley said in a joint statement.

### Quotas sought

"We are hopeful that the ITC will now recommend the five-year worldwide shoe quota we seek to help the industry and its workers survive," the statement said. The implementing of quotas would give the industry "a chance to regain its competitive strength . . . and provide many new job opportunities."

The commission's decision came just five weeks after industry, labor and congressional leaders testified in favor of quotas.

The 5-0 decision reverses the ITC's 1984 finding when it determined the industry had not been injured despite numerous plant closings. Since that time, Congress modified sections of the trade laws to clarify that plant closings specifically are to be taken into consideration in determining whether a domestic industry has been injured by imports.

Commission Chairman Paula Stern said that because of heightened plant closures, increased unemployment and diminishing profits, increased imports threaten the industry with serious injury.

### Market share

The Footwear Trade Action Coalition, comprised of ACTWU, UFCW and the Footwear Industries of America, is seeking quotas which will limit imports to 55.2 percent of the U.S. market. Legislation which has been introduced in the House and Senate would write a comparable quota into law.

"We are asking for sensible controls on import levels that have gone berserk," Finley had testified at the ITC hearing last month.

George Langstaff, president of FIA, noted in expressing his relief at the ITC's ruling, that imports have risen another 13 percent so far this year. "Clearly the industry has met or exceeded all of the criteria that Congress established in setting up injury provisions for domestic industries," he said.

In March, imports captured 80.2 percent of the market and domestic footwear production dropped 25 percent below last year's severely depressed levels. Fifteen more shoe plants have closed this year, on top of the 105 closed last year. More than 13,400 shoe workers were put out of work in 1984.

# House committees vote bills to strengthen civil rights law

Two House committees approved bills intended to repair the damage done to various civil rights legislation by last year's Supreme Court decision in a case involving sex discrimination in colleges helped by federal funds.

Civil rights groups and the AFL-CIO have pressed for legislation that would make clear the intent of Congress that the ban on discrimination applies to all phases of a federally aided program or activity, not just the segment directly using federal money. The Administration has argued for a more limited remedy.

Technically, the Supreme Court's February 1984 ruling in the Grove City College case involved only the interpretation of Title IX of the Education Amendments of 1972, which bars sex discrimination by educational institutions receiving federal assistance.

But the court's reasoning, civil rights groups stress, could be applied just as readily to various other anti-discrimination laws. Thus both the Education & Labor Committee bill and the Judiciary Committee approved legislation that would apply to laws banning discrimination on the basis of age, race or handicap as well as to the education law.

Differences between the two committee versions will confront the House when it takes up the measure. The Judiciary Committee version is closer to the standard urged by the civil rights coalition. In the highly controversial area of abortion restrictions, the two versions differ with the House version considered more restrictive.

In the last Congress, the civil rights restoration bill passed the House with strong bipartisan support but was blocked in the Senate.



AFL-CIO Sec.-Treas. Thomas R. Donahue and Andrew Young, left, former U.S. Ambassador to the United Nations, at Senate hearings.

# *Tough U.S. sanctions asked to shift South Africa's path*

**Continued from Page 1**

sanctions against the Pretoria government. The House is expected to take up the measure again soon after its Memorial Day recess.

In testifying in support of a companion bill in the Senate, Donahue said the AFL-CIO favors the sanctions but was concerned about the failure of the bills to address the havoc wrought among South African black trade unionists by "preventive detention laws" under which many have been held without charges.

"It is not enough to bring external pressure to bear on the South African government," Donahue said. "Change must come from within. But such change will not come unless the democratic forces within South Africa—preeminently the black trade union movement—are able to organize and effectively represent the will of the majority.

"It is therefore imperative that we do all we can to remove the coercive impediments to their exercise of freedom of association.

"Measures by the Congress aimed at eliminating the preventive detention laws would be a powerful encouragement to those who are fighting on the front lines of freedom in South Africa."

The House bill, whose chief sponsor is Rep. William H. Gray III (D-Pa.), would ban loans to the South African government, prohibit any new investment in South Africa, ban the importation of South African gold krugerrands, and ban the sale of computers and parts to the South African government and corporations.

The measure permits the President, with congressional approval, to waive certain sanctions if the South African government has taken definite steps to dismantle its system of apartheid.

As of last September, U.S. banks had a total of $343 million in loans outstanding to the South African government. Currently, 26 of the nation's 100 largest banks have policies prohibiting loans to the South African public sector.

Donahue applauded the "intent, spirit and actions" of the anti-apartheid bill being considered by the Senate committee. The measure is sponsored by Sen. Edward M. Kennedy (D-Mass.) and others.

### Labor's position

The proposed sanctions are consonant with the positions of the AFL-CIO Executive Council and the International Confederation of Free Trade Unions on South Africa's repression of blacks, he said.

But the ICFTU and the AFL-CIO would impose additional sanctions, including an arms embargo, an end to new International Monetary Fund loans, and forced disinvestment in South Africa by all multinational companies that the independent South African black trade union movement identified as being in violation of internationally accepted labor standards.

Donahue warned against delays and loopholes that might permit South Africa to "escape the full effect of sanctions by piecemeal measures that stretch out for years the complete elimination of the apartheid system."

# Black unionists, political leaders face treason trial

Johannesburg—The South African government slapped trumped up charges of treason against 16 black South African political and trade union leaders, most of them held for months under so-called preventive detention laws.

Among those charged are President Thozamille Gqweta of the South African Allied Workers Union, and Isaac Ngcobo, Sam Kikine and Sisa Ngikelana, officials of the same union.

The four unionists were among 21 black labor leaders detained without charges by the government last December.

### Worldwide protest

Their arrest set off widespread protests in American cities and elsewhere, drawing the condemnation of the world's free trade unions, including the AFL-CIO and other affiliates of the International Confederation of Free Trade Unions.

The 16 defendants are charged with advocating programs "with the overall object of creating a climate favorable . . . for bringing about a revolution," including organizing meetings "at which bellicose songs were sung, slogans chanted and speeches made."

The trial of the 15 men and one woman—all leading figures in the anti-apartheid movement—is expected to last 18 months. Treason in South Africa is punishable by hanging.





# Exchanging views

AFL-CIO President Lane Kirkland fields questions from Liz Hrenda at a regional meeting of union members in Harrisburg, Pa. Hrenda is a past president of the Harrisburg chapter of the Coalition of Labor Union Women. Satellite meetings were also held in Johnstown, Pa., and Wilmington, Del., with the main regional conference in Cherry Hill, N.J., covering five mid-Atlantic states and the District of Columbia. Kirkland spoke on a variety of worker issues, including imports, the Reagan budget and protection of life-support benefits.




Frontlash Chairman Jessica Smith spurs protest of Reagan's subminimum wage proposal.

# *Youth rally demands equal pay*

**Continued from Page 1**

stressed that young people "want the opportunity to acquire jobs and skills for a better future" and a subminimum wage cannot provide those opportunities. He called the lower wage "a subminimum idea" and urged Congress to "support young people today to make America better tomorrow."

Morton pointed out that the fast food industry would be the real winner if a subminimum wage were established, because the industry would gain nearly $4 billion in three years, "while we struggle along for $2.50 an hour."

He called on the demonstrating youths to continue the fight in their home cities to "stop wage discrimination in any form." The crowd roared in agreement and took up the chant, "We deserve a break today, equal work for equal pay." Balloons were released that read "jobs and fair wages."

Other speakers—high school students from up and down the East Coast—pointed out the potential for employers to abuse the measure by firing older workers and hiring teens at $2.50 an hour. They warned that a subminimum wage now could lead to permanently lowered wages.

### Speaking out

The young people were eager to speak against the measure. Yvette Rodriguez of Staten Island said a subminimum wage would be unfair because "we have to work just as hard and we should be paid the same." Rodriguez, who works at a fast food restaurant, noted the inconsistencies in Reagan's programs:

"They tell us we have to earn more money and pay our way through school, but then they want to cut our salaries."

James Atkinson of New York City said that at age 18 many young people are out of school supporting families. "They have the same responsibilities as older people, but they will make less, and that's not right."

The youth coalition sought a meeting with Labor Sec. William Brock who later indicated he would meet with the group to discuss "alternative proposals." The coalition plans to present Brock with petitions opposing the "burger bill" stuffed in a giant hamburger.

The Senate Labor & Human Resources Committee has taken up the issue and heard AFL-CIO Legislative Director Ray Denison's testimony opposing the subminimum wage earlier this week.

# Higher floor under wages held overdue

**Continued from Page 1**

- Does not create new jobs.
- Displaces older workers.

Various subsidies and tax inducements to persuade employers to hire disadvantaged young people haven't reduced youth unemployment, Denison stressed.

As for the argument that it will help reduce the high rate of teenage unemployment, especially among blacks, Denison termed the legislation "the wrong way to deal with the real problems of young people in terms of their needs for education, training and employment."

The "right approach," he urged, is to expand opportunities for disadvantaged youth with school-and-work programs. He cited apprenticeship outreach and Job Corps programs which unions have actively supported—but which the Administration has or is trying to eliminate. The AFL-CIO's Human Resources Development Institute is working with unions to develop local programs to help minority youth, Denison noted.

### Flawed reasoning

If reduced wages were the answer to high unemployment, he said, the "logical extension" of such flawed reasoning would be to set up a high minimum wage for white males over 20, since their unemployment rate is the lowest. Then there could be a somewhat lower minimum for white women, a still lower wage floor for Hispanics, and a bottom rate for black teenagers.

NAACP Executive Director Benjamin L. Hooks reiterated his organization's opposition to a subminimum youth rate in a statement issued as the Senate hearings got under way.

The Administration is proposing a three-year trial of a youth subminimum wage. Labor Sec. William Brock testified that he couldn't say with certainty that a youth rate would increase the number of jobs. But "the idea deserves to be tested," he argued.

Denison noted that since the teenage population is dropping, youth unemployment also will be decreasing in the years ahead. That would make an experiment with a youth subminimum look successful even though it does "nothing more than cutting the wages of these young workers," Denison suggested.

### Real need

He urged Congress to address the "real need" to increase the earnings of some 6 million workers employed at or near the present $3.35 minimum.

At a news conference, House Education & Labor Committee Chairman Augustus F. Hawkins (D-Calif.) served notice that the Administration will meet with a cold reception in his panel. Chicago Mayor Harold Washington joined Hawkins in attacking the subminimum plan and disassociated himself from other black mayors who have endorsed it.

Later, at a hearing called by the panel's Employment Opportunities subcommittee, Sec.-Treas. William Lucy of the State, County & Municipal Employees and economist Sar Levitan challenged the contention that a subminimum wage will expand job opportunities.

# Hardships seen from closing local social security offices

The Reagan Administration's scheme to close more than half of the Social Security Administration's 1,340 offices and cut the agency's staff by more than 17,000 workers will cause extreme hardships for many elderly people, the Government Employees warned at congressional hearings.

AFGE, which represents some 70,000 SSA field office workers, urged the Senate Appropriations Committee to block the shutdowns.

Gayla Reiter, an 18-year employee of SSA and president of AFGE Local 3172 in San Francisco, told the panel that the closing of 770 offices "will not result in any appreciable savings to the taxpayer, but it will be very costly in terms of our agency's ability to provide good service."

Reiter pointed out that "not only will the elderly, disabled and disadvantaged suffer the hardship of traveling long distances to get to social security offices, their ability to resolve problems by phone would be taken away as well because all Teleservice centers would be closed too."

The Administration's campaign to shut down SSA field offices gets its impetus from the 1984 Grace Commission report that recommended the closing of some 843 field offices, along with 33 teleservice centers and all 3,476 contact and resident stations, Reiter testified.



Gayla Reiter

Early this year, SSA issued a directive that district or branch offices with fewer than 10 employees be either closed or downgraded to resident stations—one or two person operations that are not open full time.

Offices with fewer than 16 workers are also listed as probable candidates for elimination as are offices with less than 25 employees, if they are within 25 miles of a regional center.

Rep. Edward Roybal (D-Calif.), chairman of the House Select Committee on Aging, earlier this year released a list of nearly 800 SSA offices that could close under the agency's directive.

The Administration's claims that it can make the cutbacks over a five-year period without reducing service or laying off workers was branded by Reiter as "baloney."

### 'Life blood'

She stressed that the President's budget for SSA "strikes at the very life blood of federal employees." Reiter said the union has seen "conscientious employees leaving our agency with 15-25 years of service who no longer are able to endure the deplorable working conditions combined with the unjust and unfair treatment. Their experience and expertise are not readily replaced."

Reiter cited SSA's track record of spending less than 2 percent of its budget on administration, while maintaining a payment accuracy rate of 99.6 percent.

She said that Rep. Roybal had decried the proposed cutbacks in noting that, "If a 20-percent reduction in staff results in just a 2-percent increase in the overpayment rate, there would be a $3.75-billion increase in overpayments in 1986 alone. That's 150 percent of the total amount needed to administer all of the social security programs last year."

Reiter said that cuts of some 3,000 SSA workers already made by the Administration caused backlogs in processing of claims resulting in longer delays for the elderly and increased pressure on the workers.

# *Senate reforms urged in scrutiny of nominations*

The AFL-CIO and other concerned groups are urging the Senate Judiciary Committee to set up more rigorous screening procedures for judicial nominations, many of which are for lifetime appointments.

Labor's concern was expressed by AFL-CIO President Lane Kirkland in a letter to Senate Judiciary Committee Chairman Strom Thurmond (R-S.C.).

Kirkland said the need for a more careful scrutiny of nominees was made clear by the belated disclosures involving Marianne Mele Hall, whose nomination to a lifetime post as chairman of the Copyright Tribunal was routinely approved by the committee and confirmed by the Senate.

Hall subsequently resgined after it was disclosed that a book she co-authored contained blatantly offensive language about blacks.

The NAACP Legal Defense & Education Fund and other organizations have proposed a two-step procedural reform: that there be at least a 30-day interval between the date a nomination is submitted to the Senate and the confirmation hearing, and that both the majority and minority members of the committee have sufficient staff investigators for a thorough scrutiny.

Unions, which are closely regulated by federal law, share this "concern about the patent inadequacy of the current judicial screening system," Kirkland wrote Thurmond.

# Brock keeps Labor Dept. offices open

The Labor Dept. will keep all 10 of its regional offices in operation next year, dropping plans to eliminate Boston, Kansas City and Seattle as regional centers.

Labor Sec. William E. Brock, responding to widespread protests, reversed the budget decision and said he had concluded "after a thorough review" that the closings were "not justifiable."

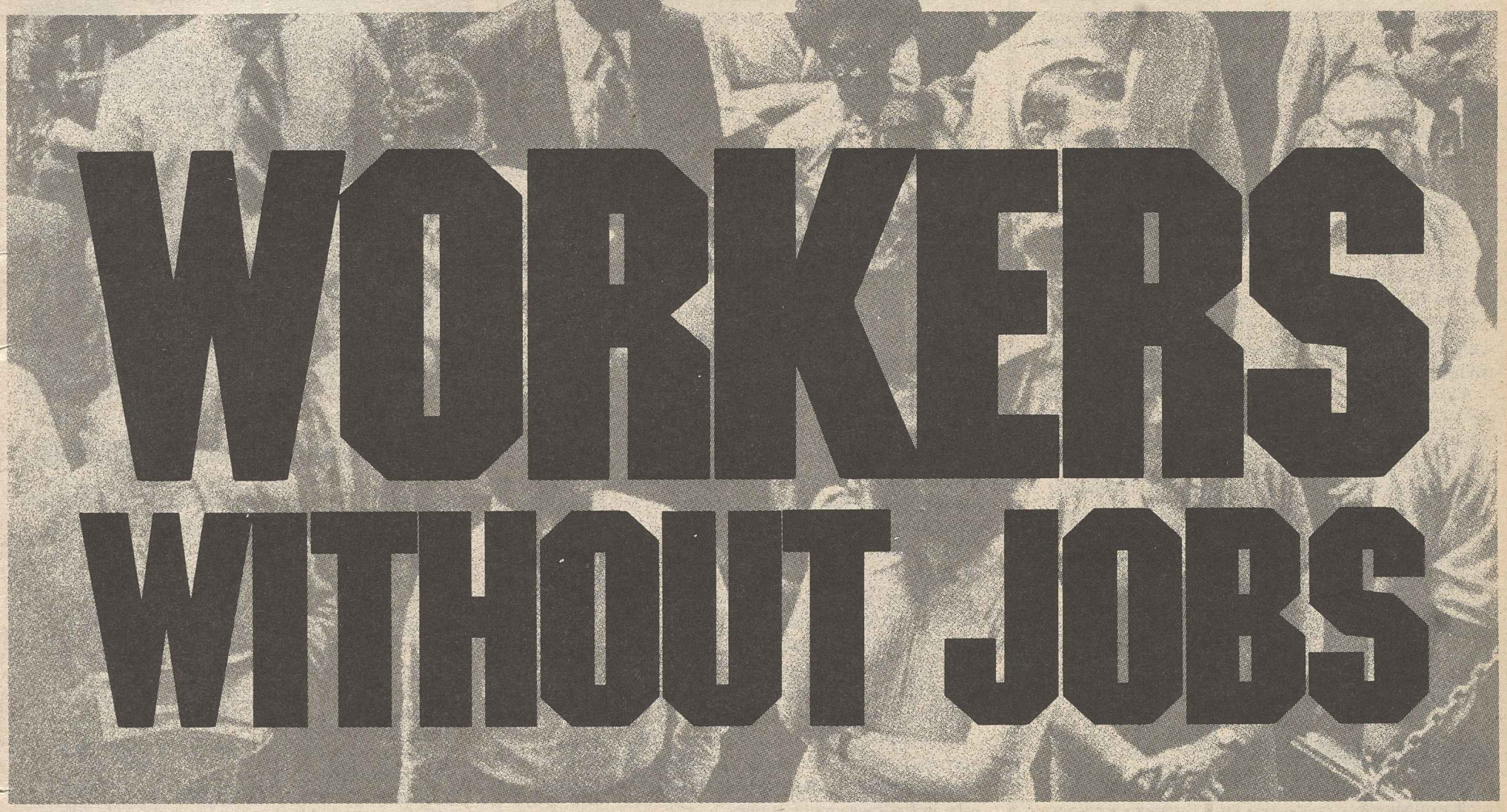
The Government Employees, which, along with state and local central bodies in the regions affected, had strongly protested the closings, welcomed the reversal —and especially Brock's explanation.

The budget explanation for the planned shutdowns was that it would save $10 million and eliminate an estimated 196 jobs.

But Brock said that "after a thorough review," he had concluded that "in terms of costs versus benefits, such a closure is not justifiable."

The services and enforcement activities provided by the regional centers — "on employment standards, worker safety and occupational health among others"—are too vital to the public to be cut back, Brock concluded.

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# WORKERS WITHOUT JOBS

By Markley Roberts

Suppose you take the population of New York City, Chicago, and Los Angeles. That's about 13 million people.

Then add in the population of Atlanta, New Orleans, Pittsburgh and Boston. That's another 2 million, raising the grand total to 15 million.

Now imagine those 15 million people — who might include you — without jobs or working part-time because there are no full-time jobs.

This gives you some idea of the real size of America's big, forgotten, ignored economic problem — persistent, high unemployment in the midst of relative affluence.

It's much too easy to forget, to ignore America's unemployed men and women. They seldom demonstrate in front of TV cameras. They are not filling our newspapers with protests against economic policies which wrongly use unemployment to fight inflation.

If you have a job yourself, if you have a regular income to support yourself and your family, if you are worrying about your mortgage payments and the children's dental bills, it's hard, isn't it, to think about 15 million fellow Americans with lost jobs and lost income.

If there were a flood or natural disaster that wiped out the economic livelihoods of millions of people, we might be more sympathetic.

If we lived in an unemployment disaster community like Waterloo, Iowa, or the Texas Golden Triangle or Gary, Ind., or Butte, Mont., we would be very sympathetic — and we might worry about our own jobs and income.

But if you spread 15 million workers who need jobs or full-time earnings across the U.S.A., they seem to disappear among the 115 million people in the labor force. They become less visible, less demanding of our attention, less a challenge to the nation's conscience. They are more easy to forget and to ignore.

*Markley Roberts is an economist in the AFL-CIO Department of Economic Research. Information on various high unemployment areas came from AFL-CIO state and local central bodies and Community Services representatives.*

## UNEMPLOYMENT CRISIS

But unemployment is still high.

In spite of two so-called recovery years in 1983 and 1984 — following the two Reagan recession disaster years of 1981 and 1982 — unemployment is still at persistent, painful, high, disaster levels in 1985.

Unemployment has stuck at these high levels since May 1984. The April 1985 unemployment rate of 7.3 percent — after two years of "recovery" — was higher than the highest unemployment in three of the eight post-World War II recessions.

Workers without jobs numbered 8.4 million in April 1985, according to official statistics on unemployment.

But the official statistics understate the real crisis impact of unemployment.

To get a more realistic view, we must add 1.3 million "discouraged workers" who have dropped out of the labor force because they can't find jobs that don't exist. The Bureau of Labor Statistics reports "discouraged workers" on a quarterly basis, but does not include them in official unemployment.

We must also add in 5.7 million part-time workers who want full-time jobs and full-time paychecks but can find only part-time jobs. These "involuntary part-time" workers represent "underemployment" or "partial unemployment."

But these numbers don't give you the full extent of human suffering and social costs associated with unemployment.

In fact, that 15 million-plus total for the unemployed is a snapshot picture, a partial report on unemployment. If we look at a moving picture, we find many more millions of American workers and their families have suffered lost jobs, lost income, lost security, and lost dignity during the last four years.

Jobseekers still outnumber available jobs by 10 to 1, up from a 5-to-1 ratio in the late 1970s and a 2-to-1 ratio in the 1960s.

In 1981 there were 23 million workers who suffered unemployment at some point during the year — 20 percent of all persons in the labor force during 1981.

In 1982 more than 26 million workers — 22 percent of all persons in the labor force — were hit by unemployment some time during the year.

In 1983 there were 24 million workers with a period of joblessness, 20 percent of all persons who worked or looked for work during the year.

The official figures for 1984 won't be available until late in 1985, but it is likely that 1984 will show 22 to 24 million workers hit by unemployment during the year.

And the record for 1985 won't be much better.

## HEALTH AND SOCIAL COSTS

But these numbers don't show the full extent of human suffering and social costs associated with unemployment.

Unemployment is a killer.

In the work of Professor Harvey Brenner of Johns Hopkins University School of Hygiene and Public Health, we have measures of the impact of unemployment on health and social breakdown.

Prof. Brenner found that a 1 percent sustained rise in unemployment was responsible for 4.1 percent more suicides, 3.4 percent more state mental hospital admissions, 4 percent more prison admissions, 5.7 percent more homicides, 1.9 percent more deaths from cirrhosis of the liver, cardiovascular or kidney disease five years later.

The Joint Economic Committee pointed out that these figures understate the eventual total long-term impact of a 1 percent rise in unemployment. This understatement is particularly significant for cardiovascular, renal and cirrhosis diseases which typically require many years to be even diagnosed.

Furthermore, these figures understate the negative health impact of unemployment because they include only liver or heart disease deaths. They do not count persons treated for these diseases when the disease did not result in death.

These shocking results were presented in another manner by Prof. Brenner. He found that a sustained 1.4 percent increase in unemployment was directly responsible for 51,570 deaths, including 26,440 heart disease deaths, 1,740 homicides, and 1,540 suicides. This rise in unemployment was also directly responsible for 7,660 additional state prison admissions and 5,520 state mental hospital admissions.

## ECONOMIC COSTS

Unemployment is costly.

Waste of human and material resources on a stupendous scale occurs when millions of Americans can't find jobs.

For every 1 percent of unemployment, America loses at least $100 billion in unproduced goods and services, and the federal treasury loses $30 billion in lost tax revenue and extra welfare and unemployment compensation payments.

Sickness and death resulting from unemployment have big economic costs as well as human costs and personal tragedy.

Lost income is one measure of the economic costs of sickness and death resulting from unemployment. Direct medical costs for unemployment-related sickness should also be included.

In the case of prison and mental hospital admissions, a similar process can be used to count lost or foregone income due to incarceration or hospitalization plus direct outlays for prison or patient maintenance.

Prof. Brenner found a total economic loss of $6.6 billion due to the 1.4 percent rise in unemployment sustained from 1960 to 1975. This included losses of $1.4 billion associated with health and circulatory disease deaths, $434 million associated with homicides, $82 million associated with suicides, $82 million associated with mental hospital admissions, and $210 million associated with prison admissions.

Of course, these dollar amounts didn't include millions of dollars spent for admissions to federal prison and mental institutions and they didn't include billions of dollars spent for unemployment insurance and welfare payments to help jobless workers and their families.

A key finding of Prof. Brenner's recent research is that the adverse health and mortality effects of unemployment don't show up until three to five years after the recession low point, and it often takes up to 10 years or longer for the full negative health and mortality effects.

We know there are a lot more economic costs to workers and their families.

For example, many workers without jobs can't keep up mortgage payments and lose their homes. In late 1984 there were 62,500 mortgage foreclosures. Even in a two-earner family one person losing a job often leaves family income too low to meet mortgage payments.

And loss of job-related health benefits can devastate a family hit by serious health problems.

## MICHIGAN FINDINGS

Dr. Jeanne Prial Gordus and Sean McAlinden of the University of Michigan confirmed Prof. Brenner's findings, reviewed other studies, and added further dimensions to studies of the very serious effects of high unemployment on physical and mental health and social breakdown.

In the 1984 Gordus report to the Joint Economic Committee, these findings were established:

- The suicide rate for adult males is positively and significantly correlated with cyclical unemployment.
- Death rates for men aged 45 to 64 years from cerebrovascular and cardiovascular disease peak slightly more than a year after the unemployment rate peaks.
- The unemployment rate is positively and significantly associated with mental hospital admissions and imprisonment after an appropriate lag.
- Life events (like death of a spouse and divorce) and stress associated with negative life events are predictors of subsequent illness.
- Life events are positively correlated with the unemployment rate.
- Job loss is strongly associated with depression, anxiety, aggression, insomnia, loss of self-esteem, and marital problems.
- Spouses of unemployed workers show psychiatric symptoms subsequent to job loss somewhat later than those reported by the unemployed partner.
- In a situation where many people have been laid off, increased job responsibilities for those who remain employed are positively associated with gastrointestinal problems, increased hypertension, more frequent illness, increased anxiety, and insomnia.

Thus, the Gordus report conclusions confirm the finding that "external economic forces are influential in altering health and behavior.

"We believe, based on the data presented, that rises in unemployment act to reduce social support, self-esteem, and resistance to disease for the unemployed, their families, members of the communities and, often, those remaining in a highly stressed workplace.

"We favor strongly those arguments that identify economic deprivation and some psychological and physiological responses as strong aggravators of the stress imposed by unemployment and economic change.

"Moreover, as the unemployment rate rises higher, those laid off are increasingly those of higher socioeconomic status and have more to lose. Despite higher initial levels of resources, these individuals are very likely to suffer from economic adversity during prolonged unemployment. This economic deprivation may continue as the newly unemployed lose occupational status by skidding down through the labor market.

"The evidence we have analyzed overwhelmingly supports the contention that the unemployment rate is the most powerful external variable explaining the difference in findings among studies.

"Those studies undertaken at times when unemployment ranged around 4 percent and where respondents became reemployed within 15-20 weeks, show few negative outcomes. In contrast, research undertaken when rates of unemployment were high, and when reemployment took 10 months or more, shows more negative results for individuals."



### UNEMPLOYMENT BY INDUSTRY, APRIL 1985

| | Number of Unemployed | Unemployment Rate |
|---|---|---|
| Non-farm private wage and salary workers | 6,236,000 | 7.3 |
| Manufacturing | 1,771,000 | 8.0 |
| Durable goods | 1,041,000 | 7.8 |
| Nondurable goods | 730,000 | 8.3 |
| Construction | 783,000 | 13.3 |
| Mining | 116,000 | 11.0 |
| Transportation, public utilities | 331,000 | 5.4 |
| Wholesale, retail trade | 1,609,000 | 7.5 |
| Finance and service | 1,626,000 | 5.7 |
| Government workers | 622,000 | 3.7 |
| Farm workers | 258,000 | 13.1 |
| **Total** | **8,400,000** | **100.0** |

Source: Bureau of Labor Statistics

## GARY-EAST CHICAGO, IND.

**In January 1984 there were 49,000 jobs in the steel mills of Gary and East Chicago in Northwest Indiana. At the end of the year in December there were only 38,300 of these jobs left, a loss of almost 11,000 jobs in one year.**

**Unemployment in the Northwest Indiana counties of Lake and Porter is up over 16 percent — so one of every six workers is without a job. And only one of every four jobless workers in Indiana gets unemployment compensation benefits.**

**Job search programs for displaced workers are overloaded. At one point last year Inland Steel Co. estimated that more than 16,000 people were eligible for job search help but only 760 people could be helped with the money available.**

**The food stamp program of Lake County is overloaded. And Lake County is having so much trouble meeting its obligations to the townships which administer relief to the poor and needy that the county has issued more than $30 million of relief and welfare bonds. This is exhausting the county's bonding authority.**

**The county's financial squeeze is aggravated by the plant closings which have cut the assessed value of the county by 10 percent in the last two years.**

**Thousands of unemployed workers and their families in Northwest Indiana are getting health care services under various local programs. The Gary Community Mental Health Center is administering one major program which recognizes the stress and anxiety of people who lose their jobs. Unemployment is causing serious physical damage as well as damage to mental and emotional health, according to Gary mental health center experts.**

## CHARLESTON, W. VA.

**Lost jobs, business bankruptcies, declining school population, and high unemployment are a few of the key indicators of the weakened economy of Charleston, W. Va.**

**In 1979, two-thirds of AFL-CIO building and construction trades workers in the area were employed. In 1984, two-thirds were unemployed.**

**Over the past five years, the number of non-farm jobs in the greater Charleston area — including Kanawha and Putnam counties — has gone down by 10 percent, from 130,100 to 117,900. Unemployment in this coal area has gone up by almost 100 percent, from 5,100 to 10,100 jobless workers. Only 31 percent of West Virginia's unemployed workers are getting unemployment compensation benefits.**

**The Full Employment Action Council estimates "real" unemployment in the Charleston metropolitan area — including discouraged and underemployed workers — at 28 percent, far above the horrendous official unemployment rate of 15 percent.**

**Business bankruptcies were up to 484 in 1984. Well-established downtown department stores, restaurants, and specialty shops have closed their doors. Traffic in downtown Charleston is down so much that one lane of traffic has been diverted to free, on-street parking.**

**There are fewer children in Kanawha county schools. Over the past five years the number of school children has dropped from 43,000 to 38,000.**

**Mortgage defaults have gone up and home construction has gone down. Home construction permits in 1984 were 50 percent below the 1979 level.**

## BEAUMONT/PORT ARTHUR/ ORANGE, TEX.

**Oil refinery layoffs and shutdowns and job losses in shipbuilding and off-shore drilling have brought disaster to the "golden triangle" of Beaumont, Port Arthur, and Orange, Tex.**

**In December 1981 there were 39,000 jobs in this area. Since that time there has been a 32 percent job loss, a drop of 12,600 jobs.**

**Personal bankruptcies have gone up in the area and the number of homes for sale doubled in 1984.**

**There are 2,700 workers in the area who are currently getting unemployment compensation benefits, but there are many thousands more whose unemployment benefits have run out. Only 25 percent of jobless workers in Texas are now getting unemployment compensation.**

**The John Gray Institute of Lamar University in Beaumont estimates unemployment at 19 percent in Port Arthur, 17 percent in Orange, and 11 percent in Beaumont.**

**The AFL-CIO's Human Resources Development Institute is operating a "displaced worker" assistance program in the "golden triangle" jointly with the Texas Employment Commission. HRDI is working with the Oil, Chemical & Atomic Workers, Electrical Workers, and Office & Professional Employees to plan services for Texaco refinery workers and other area workers laid off earlier this year.**

## SOCIAL COSTS OF ECONOMIC CHANGE

"In conclusion," the Gordus reports states, "the evidence for a social causation approach to the connections between macroeconomic change and social pathologies is particularly strong in periods of high unemployment. The data support the argument that these high rates of unemployment provoke very serious consequences in terms of mortality, illness, and social deviance."

The findings of Prof. Brenner and the findings of the Gordus report indicate that national economic policy has big and serious implications for life, death, sickness and health, crime, divorce and child abuse, alcoholism and drug abuse, juvenile delinquency, and other characteristics of social breakdown.

"In recent years," the Gordus report notes, "the national economic experience has been one of increasingly severe swings in activity, highlighted by the almost unprecedented decline of major basic industries and the rise of new nontraditional types of economic endeavor.

"This pattern of radical economic change has resulted and will continue to result in the traumatic displacement and uprooting of hundreds of thousands of Americans and their families.

"For many, the personal struggle to adapt to a new set of social and economic circumstances that may bring about substantial hardship, without the promise of sufficient outside help, may prove overwhelming, and even dangerous to life itself.

"That is why an increased knowledge, not only of the extent of this ongoing loss of national well-being, but also of the process through which it comes about, is necessary and crucial if policymakers can take steps to ensure that the social costs of the coming of the post-industrial society do not exceed its potential benefits."

### UNEMPLOYMENT BY OCCUPATION, APRIL 1985

**(number and percent, not seasonally adjusted)**

| Occupation | Number of Unemployed | Unemployment Rate |
|---|---|---|
| Managerial and professional specialty | 612,000 | 2.3 |
| Executive, administrative, and managerial | 337,000 | 2.7 |
| Professional specialty | 275,000 | 2.0 |
| Technical,sales, and administrative support | 1,715,000 | 4.9 |
| Technicians and related support | 116,000 | 3.5 |
| Sales occupations | 729,000 | 5.5 |
| Administrative support, including clerical | 871,000 | 4.8 |
| Service occupations | 1,378,000 | 8.8 |
| Private household | 65,000 | 6.1 |
| Protective service | 80,000 | 4.6 |
| Service, except private household and protective | 1,201,000 | 8.4 |
| Precision production, craft, and repair | 319,000 | 7.2 |
| Mechanics and repairers | 240,000 | 5.1 |
| Construction trades | 642,000 | 12.5 |
| Other precision production,craft and repair | 319,000 | 7.2 |
| Operators, fabricators, and laborers | 2,335,000 | 12.5 |
| Machine operators, assemblers, and inspectors | 1,013,000 | 11.6 |
| Transportation and material moving occupations | 442,000 | 8.9 |
| Handlers, equipment cleaners, helpers and laborers | 880,000 | 17.9 |
| Construction laborers | 255,000 | 31.6 |
| Other handlers, equipment cleaners, helpers, and laborers | 625,000 | 15.2 |
| Farming, forestry, and fishing | 367,000 | 10.7 |
| **Total, 16 years and over** | **8,625,000** | **7.5** |

Source: Bureau of Labor Statistics

## HIDDEN SCARS OF UNEMPLOYMENT

The International Labor Organization's 1985 *Encyclopedia of Health and Safety* deals with mental and physical health problems of unemployment in a number of articles.

"Unemployment leaves scars which remain even after reemployment in terms of irreparable damage to self-confidence and self-esteem," the encyclopedia concludes.

In a general overview of the health effects of unemployment, the ILO encyclopedia notes that much of the human response to unemployment is hidden and even goes unrecognized when it surfaces in the form of long-lasting physical and mental disorders.

The longer that unemployment continues, the more likely the unemployed worker is to develop passive or anti-social behavior, with sickness as a frequent unconscious way of justifying unemployment, especially for those, the majority, who blame themselves for being out of work.

Unemployment produces insecurity and anxiety and a sense of powerlessness. In a money-for-work society, a person's job all too often defines a person's existence, identity, social status, and self-esteem.

One major tragedy of unemployment is that individual workers tend to blame themselves for unemployment. Workers who lose their jobs often feel a sense of personal inadequacy, guilt, and grief, blaming themselves instead of blaming their employers for the layoff, instead of blaming the economic policies of government policymakers, instead of blaming the lack of rational economic policy to prevent widespread job loss.

Communities hit by major layoffs and plant closings are part of the devastation from unemployment.

The crisis may stem from recession and depressed markets. It may be the result of a flood of imports or a loss of export markets due to an overvalued dollar. It may reflect changing demand for energy sources like coal or oil. It may reflect changing technology or a shifting structure of demand. It may reflect American business firms' search for cheap labor overseas.

Whatever the cause, for every production job that disappears, there are another two or three service jobs in the community that are adversely affected. So job losses ripple out through a local community.

Loss of significant portions of the community's tax base occurs when plants shut down and workers move away. This loss of resources weakens the community's ability to attract new residents and new employers.

## BUTTE/ANACONDA, MONT.

**The mining towns of Anaconda and Butte reflect decay and transition in the entire Montana economy. Thousands of displaced workers have dropped out of the state's labor force. Official statistics don't reflect large pockets of serious unemployment.**

**During the years 1979 through 1983, Montana lost 9,600 jobs in mining, manufacturing, and contract construction and gained 3,100 jobs in the service sector.**

**The lost jobs paid $10.65 to $14.61 an hour. The new jobs pay an average of $6.67 an hour. More and more women are the "breadwinners" in families of jobless copper mine and smelter workers.**

**When Anaconda Copper Company closed down its Anaconda smelter, city officials estimated 80 percent of all jobs in the area were indirectly affected by loss of 1,000 smelter jobs. Laid-off workers first used up savings and sold personal possessions before turning to social service agencies for help.**

**In Butte, 2,800 mining jobs have been lost over the past five years and service sector jobs have increased by 2,000. In the Butte-Silver Bow area, city and county tax revenues have dropped 25 to 50 percent.**

**Are there jobs on the land for displaced workers? A 1984 survey of Montana's farmers and ranchers found that 45 percent think they will be out of business within five years under current economic conditions.**

## MOBILE, ALA.

**One of eight workers in Mobile, Ala., is without a job, according to official statistics. But a more realistic estimate which includes "hidden unemployment" would find one of every five workers unemployed.**

**Conservative official statistics report more than 30,000 workers to be unemployed, and 7,000 of these have used up all their unemployment compensation benefits. Only 27 percent of Alabama's jobless workers now get unemployment compensation.**

**One result of high and persistent unemployment in Mobile is a 200 percent increase in requests to local United Way agencies for help to needy families and individuals. Catholic social services and the Salvation Army, for example, helped more than 51,000 families and individuals in 1984. More than 24,000 households were getting food stamps in October 1984.**

**A "loaves and fishes" kitchen served an average of 214 people a day in 1984, a 22 percent increase over 1983. Food banks distributed 1.3 million pounds of food in 1984, an 80 percent increase over the previous year. Food stamps worth $3.7 million went to 24,000 households in 1984.**

**The Red Cross in Mobile started a newspaper column in 1984 to bring together needy people with social service organizations and individuals who can help them. Voluntary charities don't have the resources to deal with hundreds of needy people described in the Red Cross column.**

## WATERLOO, IOWA

**The crisis in America's farm belt has hit Waterloo hard. High interest rates and tight credit are pushing more and more farmers off the land.**

**One of every seven workers in the Waterloo-Cedar Falls area is without a job. Only one of three jobless workers in Iowa is getting unemployment insurance benefits. Local union officials say official unemployment statistics fall far short of the tragic realities of unemployment.**

**Farm equipment makers like the John Deere company have laid off thousands of workers, including more than 6,000 in the Waterloo-Black Hawk County area.**

**Few jobs are left at the Rath meatpacking plant which once employed more than 1,500 workers. Rath is now fighting for its life through "the perils of Pauline" in bankruptcy proceedings as workers and the community try to keep the company operating and to save jobs.**

**The machinist and auto unions in this area have lost thousands of members. Carpenters, electrical workers, ironworkers, plumbers, and sheet metal workers unions have more members out-of-area and out-of-state than remaining in the area.**

**One Iowa labor official sees a "concerted, orchestrated effort to weaken the unions and phase them out here." This view was supported by a Waterloo newspaper story that "the relative absence of organized labor" was a key factor in attracting new industry.**

**To help the jobless, the needy, the hungry, local community action projects are providing food, fuel, shelter, and clothing. The Cedar Valley Food Bank helped 4,300 households with 12,500 people and provided food for 159,000 meals in the last half of 1984. Operation Threshold channeled $1.8 million in energy aid to 6,200 low-income households last year during the cold winter months.**

With no hope of finding a job in the local community, unemployed workers often uproot themselves and their families and roam the nation in search of a job elsewhere, leaving behind the old, the disabled, the less mobile, who find themselves living in decaying ghost towns.

Both the people who leave and the people who stay suffer psychological and social stress as they lose contact with friends and relatives and familiar social support systems.

In the boxes with this article, you will find brief accounts of some of the nation's hardest hit communities. Each of these communities has its own special history and its own special problems.

But don't forget there are a lot more than these six communities with very serious unemployment problems. The U.S. Dept. of Labor has classified more than 1,800 communities as "labor surplus areas" with unemployment over 10 percent.

All too many communities are in crisis.

## CHARACTERISTICS OF THE UNEMPLOYED

Who are the unemployed?

One of every 15 workers is officially without a job in early 1985, according to the monthly report of the Bureau of Labor Statistics — an official unemployment rate of 7.3 percent in April 1985.

But one of every eight workers — 12.9 percent — was suffering from job loss or lost earnings as a result of the widespread impact of unemployment. This perspective takes into account discouraged workers and involuntary part-time workers.

Men aged 20 years and over are 44 percent of the jobless total.

Women aged 20 years and over are 38 percent.

Young people aged 16 to 19 years are 18 percent of the unemployed.

Most jobless workers are white — 74 percent. Of the 8.4 million workers officially unemployed, 6.3 million are white.

Black workers unemployed numbered 1.9 million in early 1985, about 22 percent of total official unemployment.

Hispanic origin workers without jobs numbered 750,000, about 9 percent of total official unemployment, which indicates some overlap with other categories.

Black, Hispanic, and teenage workers have particularly high unemployment. For blacks, the jobless rate was 15 percent. For Hispanics, the jobless rate was 10 percent. For white workers, the jobless rate was 6.2 percent. For all teenagers, the unemployment rate was 18 percent, but for black teenagers the unemployment rate was 42 percent.

Over the course of a year, one-third of black men and one-fourth of black women experience at least one spell of unemployment. By contrast, only one-sixth of white workers experienced a spell of unemployment, according to the BLS work experience report for 1983.

By industry, unemployment is worst in construction, mining, and agriculture. By occupation, unemployment is worst among construction laborers and skilled construction trades workers. Factory workers, machine operators and assemblers also have high rates of unemployment.

Teenagers, blacks, and women suffer particularly from the "partial unemployment" of involuntary, part-time work schedules. This "partial unemployment" — concentrated more and more in the service-producing sector of the U.S. economy — is sensitive to the ups and downs of the business cycle.

## DISCOURAGED WORKERS

Is it any wonder that long-term jobless workers get discouraged and stop looking for a job?

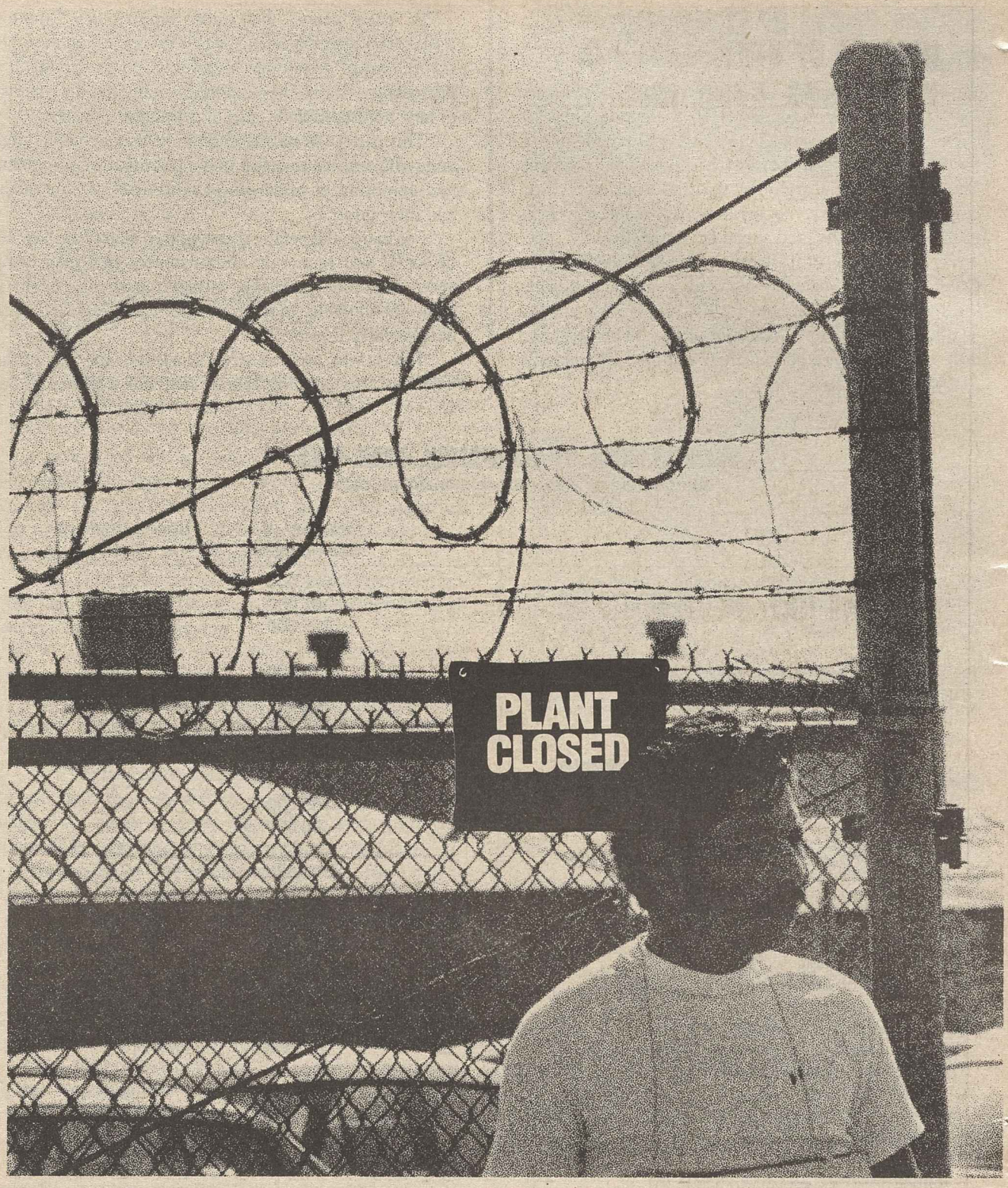
In Gary, there are 96 industrial workers seeking work for each available job. In Toledo, Ohio, the ratio is 138 to 1. And in Youngstown, Ohio, the ratio is 171 to 1, according to a 1984 Labor Dept. report.

These situations help to explain the "discouraged worker" who wants a job now but is not looking for work because he (or more likely, she) believes there is no job available in the worker's line of work or in the community.

In 1984 the number of discouraged workers averaged 1.3 million, nearly 40 percent more than at the beginning of the 1980s. Two-thirds of all discouraged workers are women. Only among discouraged teenagers do males outnumber females.

Whites made up 64 percent of all discouraged workers in 1984 and blacks were 32 percent. Hispanics (overlapping with the other categories) were 7 percent of discouraged workers.

Young people aged 16 to 24 years make up about a third of discouraged workers. Fifty-five percent are aged 25 to 59 years and workers 60 and over make up about 14 percent of all discouraged workers.




One of every seven workers displaced from a job held three years or more — and one of every four displaced women workers — dropped out of the labor force. A quarter of those who did continue to look for work were still jobless three years later, according to a 1985 Bureau of Labor Statistics report on displaced workers.

Discouraging? Of course.

## PLANT CLOSINGS, DISLOCATED WORKERS

Plant closings and major layoffs continue to displace thousands of workers and hit some local communities with particularly high unemployment.

The 1985 BLS study found that 11.5 million workers lost their jobs during the five years January 1979 to January 1984 as the result of plant shutdowns, the moving of a plant or company, slack work, or the abolishing of a position or shift.

To get workers with a relatively stable work history, the BLS study focused only on workers with a minimum of three years on the job.

Of the 5.1 million "dislocated workers" permanently displaced from their jobs, 40 percent were still without jobs in January 1984.

Of the 3.1 million workers who found jobs, nearly half were earning less than in their former jobs even though in many cases years had passed. Two-thirds of those with lower earnings had taken pay cuts of 20 percent or more.

The older the displaced worker, the less likely the worker was to be reemployed.

The reasons for large-scale job loss and high, local community unemployment vary. Some communities are hit by plant shutdowns and mass layoffs. Others are in areas of long-term structural distress.

Local crisis areas also are the result of adverse effects from trade, inner-city deterioration, farm economy troubles, and mine shutdowns in remote mining communities.

Private charities in these areas are often overwhelmed and simply cannot meet human needs. In these areas of high unemployment, workers and their families are particularly injured by federal budget cutbacks and restrictions in unemployment insurance benefits and eligibility as well as cuts in food stamps, welfare, and health programs.

The boxes that appear with this article describe specific examples of local problems in several hard-hit communities.

## AUTO INDUSTRY LAYOFFS

A 1985 report on workers laid off by General Motors, Ford, and Chrysler indicates some of the serious problem faced by these workers.

The report by the Social Welfare Research Institute of Boston College found the average length of each auto worker's longest layoff period was 66 weeks, with one of five of these workers suffering unemployment for periods of two or more years.

Of the low-seniority workers (one to five years on the job), 38 percent held no job of any kind from 1979 to the time they were interviewed in 1984.

By the last month of layoff, personal income of these auto workers had fallen 61 percent — from an average of $336 to $132 a week — and 68 percent said they were prepared to accept any job.

Seventy percent of the workers spent one-third or more of their savings while on layoff; 43 percent used up all their savings; and 23 percent missed mortgage payments or rent payments as a result of layoff.

Seventy-five percent looked for work during layoff, but only 21 percent were able to find a job at some time during their layoff. Those who found jobs had been laid off an average of two years. Their income had dropped 90 percent. The jobs they found were part-time, paid an average of $5.62, and generally paid no benefits.

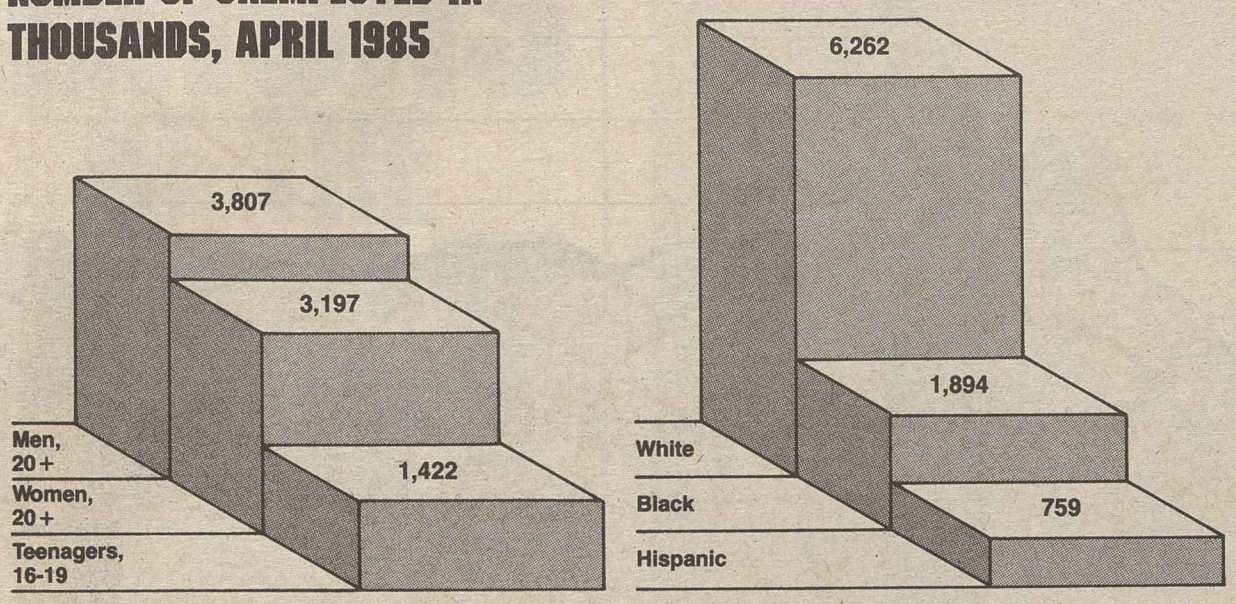
One of every four laid-off auto workers lost all family health care insurance as a result of layoff. And one of every six workers who did not seek medical care during the layoff period did not do so because of financial hardship.

## UNEMPLOYMENT INSURANCE

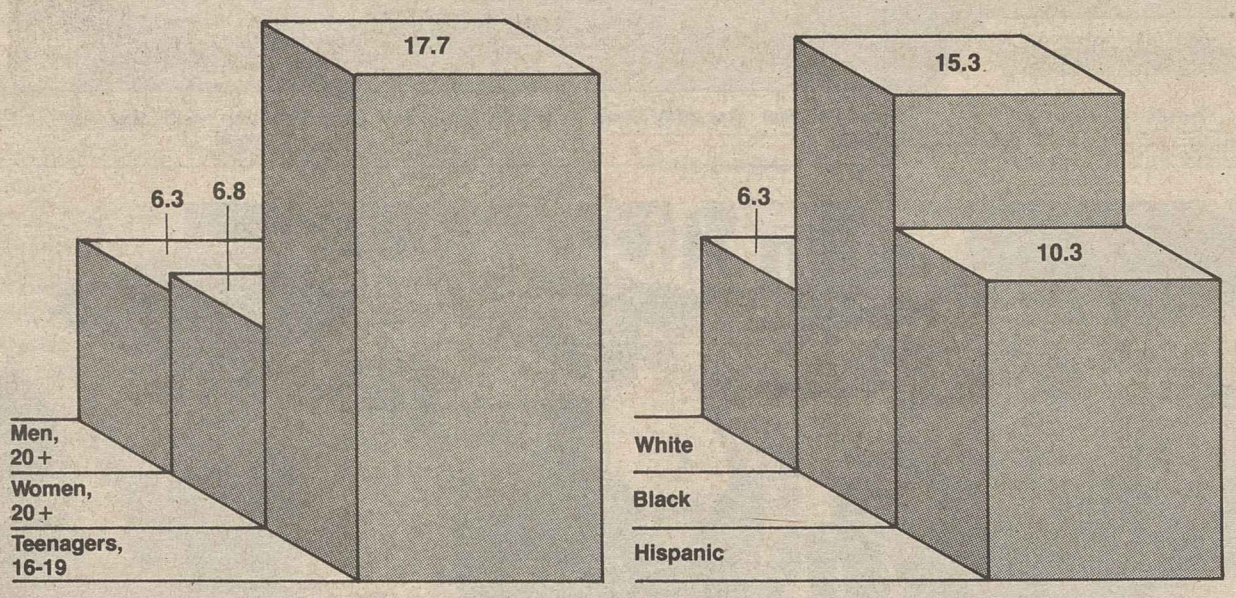
Long-term unemployment is a serious problem for millions of workers who have lost eligibility for unemployment insurance benefits.

In early 1985, the average duration of joblessness was

## NUMBER OF UNEMPLOYED IN THOUSANDS, APRIL 1985




## PERCENT UNEMPLOYED, APRIL 1985




Source: Bureau of Labor Statistics

16 weeks. But 2.4 million workers or 28 percent of all officially unemployed workers had been out of work for 15 weeks or more. And 1.3 million workers or 16 percent of the officially jobless had been out of work for 27 weeks or more.

In 1984 a monthly average of 8.5 million workers were officially unemployed, but only 2.9 million of these unemployed were getting unemployment insurance (UI) benefits of any kind.

In other words, UI benefits went to only one of every three workers who are counted as officially unemployed and to none of the discouraged workers.

By contrast, in 1975 and 1976, during the worst previous recession since World War II, three of every four jobless workers were getting UI benefits.

Unfortunately, Federal Supplemental Compensation for hundreds of thousands of long-term jobless workers was cut off on Mar. 31, 1985.

Since other extended benefits beyond regular UI benefits are "triggered" only by the insured unemployment rate — which is far below the official total unemployment rate — millions of long-term unemployed workers are going without UI assistance.

Other federal actions in recent years, particularly high interest rates charged to states borrowing from the federal UI trust fund, have forced many states to tighten eligibility rules, shorten duration of payments, and cut the size of the payments.

Fewer jobless workers are getting UI benefits. Benefits don't last as long. And UI payments are far less adequate to meet basic needs than ever before.

The nation's unemployment insurance system certainly needs an overhaul with strengthened financing, a decent level of benefits, and adequate protection for the long-term jobless.

The basic position of the AFL-CIO calls for:

- Federal minimum benefit standards.
- Removal of harsh eligibility and disqualification provisions.
- Increased benefit amounts and duration periods.
- A permanent program of federal supplemental benefits.
- Elimination of triggers, or at least use of the total unemployment rate as the basis for triggering.
- Establishing a system of reinsurance.
- A taxable wage base at least 65 percent of the average annual wage.
- Flexibility in repayment of loans to state UI trust funds during recessions and periods of high unemployment.
- Elimination of the regressive system of experience-rating.

## HEALTH CARE FOR THE JOBLESS

Most workers and their families lose health care protection when the worker loses his or her job. The situation gets worse the longer the worker is without a job.

In most states, Medicaid asset tests are so restrictive that jobless workers must sell their cars and most of their personal belongings to qualify. As a result, very few families of the unemployed can resort to Medicaid as a health care option.

In 1984, the House of Representatives passed a bill providing some health care for jobless workers and their families, but the Reagan Administration opposed the bill, and the Senate refused to pass it.

The U.S.A. is the only industrialized country in the world — with the exception of South Africa — that denies access to health care to workers and their families when the workers are unemployed. With more than 8 million American workers still unemployed, there is a continuing need for such a program.

## AFL-CIO PROGRAM

There are no simple and easy solutions to the difficult problems of job creation in a high unemployment economy. Faster economic growth is necessary. Both private sector and public sector actions are necessary. Much can be done through collective bargaining. But the federal government has a key role.

The AFL-CIO over the years has spelled out a comprehensive set of programs to attack the nation's problem of high unemployment:

- National economic policies aimed at full employment, in line with the mandate of the Humphrey-Hawkins Full Employment & Economic Growth Act.
- To reduce the job deficit, the central focus of the nation's fiscal, monetary, trade, employment and training

## STATE UNEMPLOYMENT, FEBRUARY 1985

(percent)

| | Official State* | Real Rate** |
|---|---|---|
| Alabama | 10.9 | 19.1 |
| Alaska | 10.8 | 18.9 |
| Arizona | 5.6 | 9.8 |
| Arkansas | 9.5 | 16.6 |
| California | 7.4 | 13.0 |
| Colorado | 7.0 | 12.3 |
| Connecticut | 5.4 | 9.5 |
| Delaware | 7.4 | 13.0 |
| District of Columbia | 8.6 | 15.1 |
| Florida | 5.8 | 10.2 |
| Georgia | 6.1 | 10.7 |
| Hawaii | 4.5 | 7.9 |
| Idaho | 9.6 | 16.8 |
| Illinois | 9.4 | 16.5 |
| Indiana | 10.9 | 19.1 |
| Iowa | 9.4 | 16.5 |
| Kansas | 5.6 | 9.8 |
| Kentucky | 9.7 | 17.0 |
| Louisiana | 11.6 | 20.3 |
| Maine | 6.8 | 11.9 |
| Maryland | 5.8 | 10.2 |
| Massachusetts | 4.4 | 7.7 |
| Michigan | 10.2 | 17.9 |
| Minnesota | 7.0 | 12.3 |
| Mississippi | 11.3 | 19.8 |
| Missouri | 8.4 | 14.7 |
| Montana | 8.3 | 14.5 |
| Nebraska | 6.2 | 10.9 |
| Nevada | 8.3 | 14.5 |
| New Hampshire | 5.7 | 10.0 |
| New Jersey | 6.6 | 11.6 |
| New Mexico | 7.9 | 13.8 |
| New York | 7.1 | 12.4 |
| North Carolina | 6.7 | 11.7 |
| North Dakota | 7.5 | 13.1 |
| Ohio | 9.3 | 16.3 |
| Oklahoma | 8.1 | 14.2 |
| Oregon | 11.3 | 19.8 |
| Pennsylvania | 9.3 | 16.3 |
| Rhode Island | 5.6 | 9.8 |
| South Carolina | 7.6 | 13.3 |
| South Dakota | 6.1 | 10.7 |
| Tennessee | 9.0 | 15.8 |
| Texas | 7.1 | 12.4 |
| Utah | 7.8 | 13.7 |
| Vermont | 5.5 | 9.6 |
| Virginia | 5.9 | 10.3 |
| Washington | 10.6 | 18.6 |
| West Virginia | 15.4 | 27.0 |
| Wisconsin | 8.0 | 14.0 |
| Wyoming | 7.8 | 13.7 |

*Bureau of Labor Statistics
**Full Employment Action Council, based on a multiplier of 1.8 to include discouraged and involuntary part-time workers.

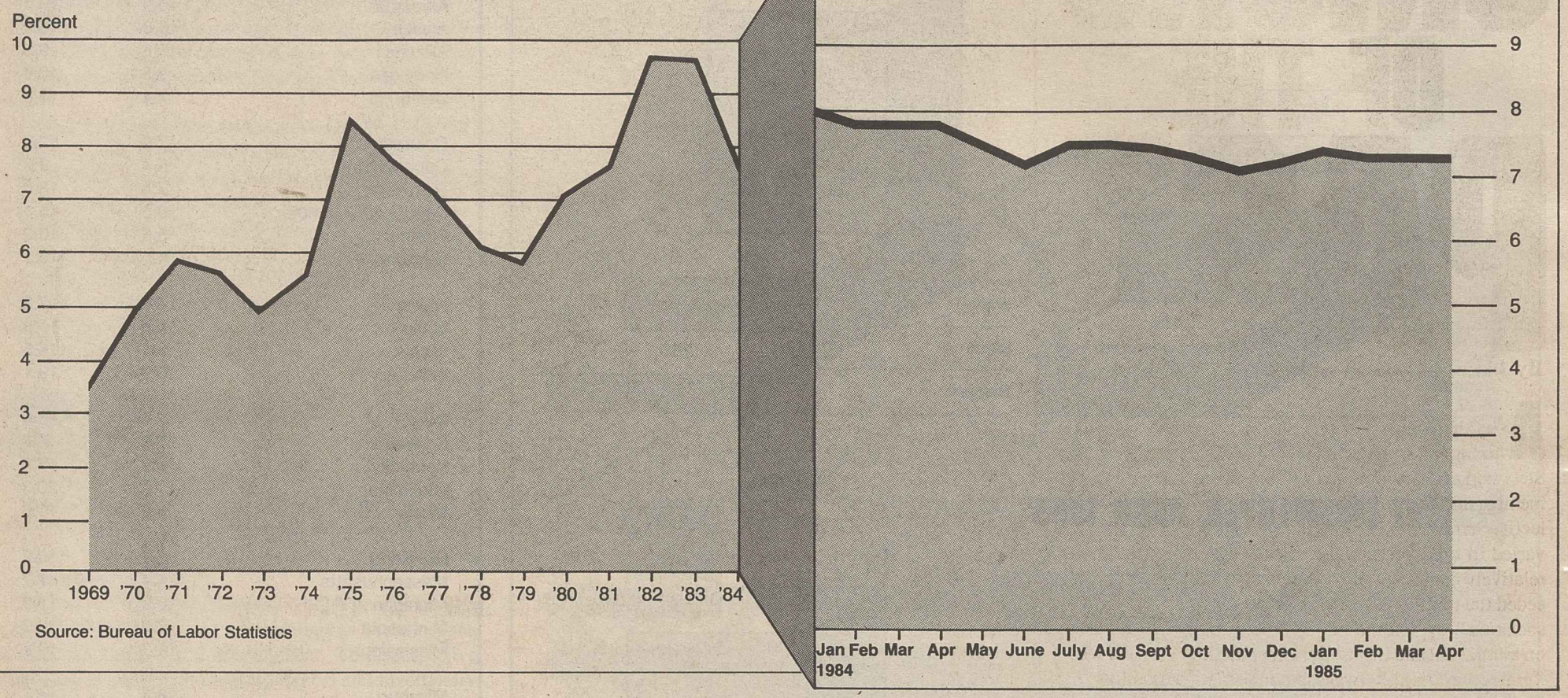
## THE 20 BIGGEST METROPOLITAN AREAS

(unemployment percent, February 1985)

| | Official Rate* | Real Rate** |
|---|---|---|
| 1. New York City | 9.6 | 16.8 |
| 2. Los Angeles - Long Beach | 6.7 | 11.7 |
| 3. Chicago | 8.1 | 14.2 |
| 4. Philadelphia | 6.6 | 11.6 |
| 5. Detroit (estimate) | 10.0 | 18.0 |
| 6. San Francisco - Oakland | 4.8 | 8.4 |
| 7. Washington | 8.6 | 15.1 |
| 8. Boston | 3.5 | 6.1 |
| 9. Dallas-Fort Worth | 4.5 | 7.9 |
| 10. Houston | 7.5 | 13.1 |
| 11. St. Louis | 8.7 | 15.2 |
| 12. Pittsburgh | 11.5 | 20.1 |
| 13. Minneapolis-St.Paul | 4.8 | 8.4 |
| 14. Baltimore | 6.6 | 11.6 |
| 15. Cleveland | 8.3 | 14.5 |
| 16. San Diego | 5.6 | 9.8 |
| 17. Atlanta | 4.7 | 8.2 |
| 18. Miami | 6.8 | 11.9 |
| 19. Phoenix | 4.3 | 7.5 |
| 20. Seattle-Everett | 8.1 | 14.2 |

*Bureau of Labor Statistics
**Full Employment Action Council, based on multiplier of 1.8 to include discouraged and involuntary part-time workers.

## UNEMPLOYMENT RATE—ALL CIVILIAN WORKERS, ANNUAL AVERAGE PERCENT, 1969-1985




Source: Bureau of Labor Statistics

## WORST UNEMPLOYMENT AREAS: THE 20 METROPOLITAN AREAS WITH HIGHEST UNEMPLOYMENT

**(percent, February 1985)**

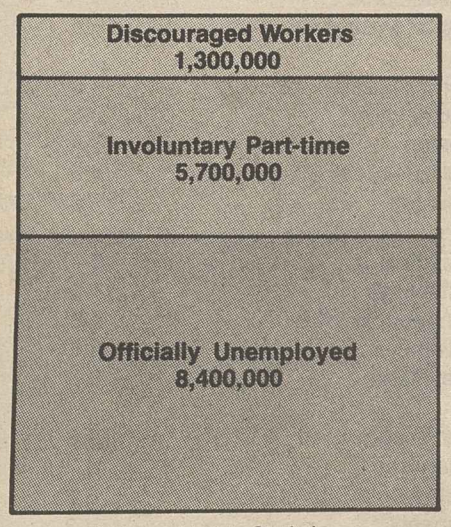
| | Official Rate* | Real Rate** |
|---|---|---|
| 1. McAllen-Edinburg-Mission, Tex. | 23.9 | 41.8 |
| 2. Modesto, Calif. | 18.8 | 32.9 |
| 3. Laredo, Tex. | 17.6 | 30.8 |
| 4. Gary-Hammond, Ind. | 16.9 | 29.6 |
| 5. Kenosha, Wis. | 16.4 | 28.7 |
| 6. Stockton, Calif. | 15.7 | 27.5 |
| 7. Lake Charles, La. | 15.5 | 27.1 |
| 8. Brownsville-Harlingen, Tex. | 15.4 | 27.0 |
| 9. Fresno, Calif. | 15.2 | 26.6 |
| 10. Johnstown, Pa. | 15.1 | 26.4 |
| 11. Wheeling, W. Va. | 14.8 | 25.9 |
| 12. Waterloo-Cedar Falls, Iowa | 14.4 | 25.2 |
| 13. Salinas-Seaside-Monterey, Calif. | 14.0 | 24.5 |
| 14. Duluth, Minn. | 13.9 | 24.3 |
| 15. Vineland-Millville-Bridgeton, N.J. | 13.8 | 24.2 |
| 16. Davenport-Rock Island-Moline, Ill. | 13.4 | 23.5 |
| 17. Beaumont-Port Arthur, Tex. | 13.2 | 23.1 |
| 18. Kankakee, Ill. | 13.0 | 22.8 |
| 19. Bakersfield, Calif. | 12.7 | 22.2 |
| 20. Terre Haute, Ind. | 12.6 | 22.1 |

*Bureau of Labor Statistics

**Full Employment Action Council, based on a multiplier of 1.8 to include discouraged and involuntary part-time workers.

## WORKERS SUFFERING JOB AND INCOME LOSS

**April 1985**




Source: Bureau of Labor Statistics



policies must aim at reducing the present unacceptable unemployment levels.

■ To encourage economic growth, the Federal Reserve Board should strive to lower interest rates rather than single-mindedly targeting the rate of growth of the money supply.

■ To protect jobless workers and their families, Congress should enact a permanent unemployment insurance program for long-term unemployed workers. In addition, Congress should enact special legislation to provide unemployed workers with health care protection and mortgage and rental relief.

■ To meet the special problems of workers and communities affected by plant closures, Congress should enact plant closing legislation. Advance notice will help workers plan for alternative means of dealing with the threat, and appropriate compensation would cushion the impact.

■ Job creating community development with federal funds to put jobless workers directly on local government payrolls.

■ Accelerated public works as an investment in the infrastructure to raise the nation's productivity.

■ Human resource and productivity development through better education, training, retraining, upgrading, and upward mobility opportunities for all workers, both employed and unemployed.

■ To prepare displaced workers and young people for jobs, retain and strengthen national job-training programs; provide training opportunities for displaced workers, and help young people in the existing Job Corps centers and in a new youth employment program.

■ Anti-discrimination protections to help women, black, Hispanic, and other minority workers.

■ Shorter workweek, reduced workhours per year and higher overtime penalties to open up more job opportunities.

■ Better matching of workers and jobs.

■ Day care for children of working parents.

■ Sanctions and enforcement to stop hiring of illegal workers competing with U.S. citizens for jobs.

■ Minimizing, cushioning and humanizing the adverse effects of industrial, occupational, and technological change.

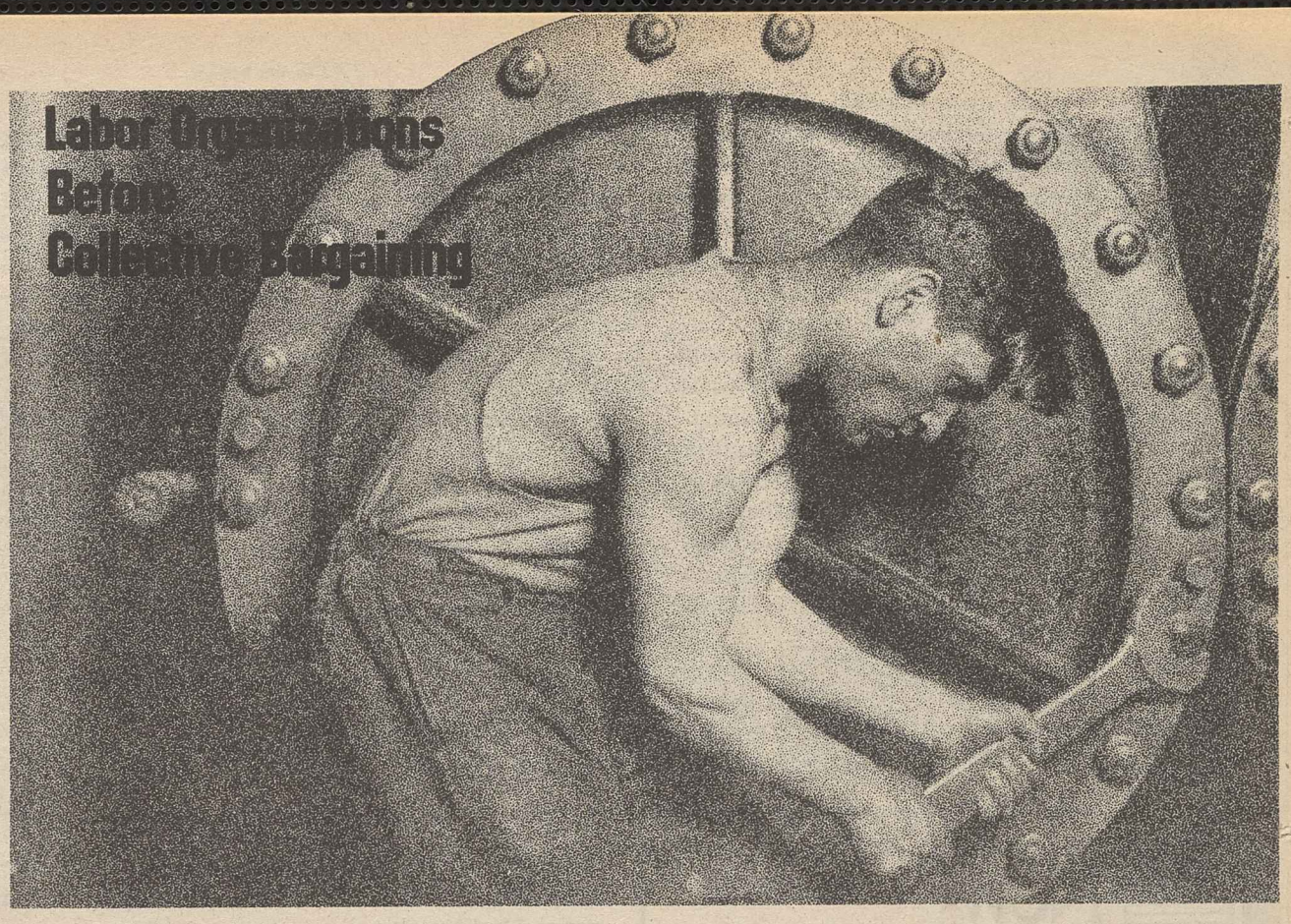
■ Realistic trade policy and rational industrial policy to achieve job-creating economic growth with balance and diversity, international competitiveness, national security, and rising living standards.

Some of the AFL-CIO proposals have no cost impact on the federal budget. Some have added costs that would bring substantial savings over the years. Programs that invest in people and jobs help workers realize their full potential. They also help lower long-term costs of unemployment and poverty.

Continuing high unemployment weakens America's economic strength. And high unemployment threatens the stability of the nation's economic, social, and political institutions.

The AFL-CIO will continue to support policies and programs that will improve the health and diversity of the American economy and assure job opportunities and a rising standard of living for all Americans.

# UNIONS OF THE PAST




By James L. Medoff and Nina A. Mendelson

After the Wagner Act was passed in 1935, direct organizing of workers was common. Unions like the Steelworkers and the Auto Workers were able to gain membership simply through offering the service of collective bargaining. Before this period, however, unions varied in type, recruitment method, and offerings. One relatively common type of labor organization which preceded the traditional trade union was the "benevolent association," or "brotherhood." These groups were based on mutual aid and insurance, either alone or coupled with "protective" issues (wages, hours, and bargaining in general).

In the late 1800s, particularly toward the end of the century when economic conditions were unstable, benevolent functions of labor organizations became more important, both as services themselves and as a mechanism for maintaining stability and building the strength of the unions. While there was a burst of enthusiasm for unionism between 1830 and 1880, it lacked staying power; benevolent associations seemed to retain their members into the late 1800s, however, and they often developed into effective bargaining agents.

Benevolent associations, first, offered the worker significantly useful services. They were often organized around the workplace or around a craft, like the Cigar Makers or the Carpenters, and offered benefits that were often otherwise beyond the reach of the worker. For example, death benefits were offered—the Iron Molders set up a system of death benefits in 1859, as did the Granite Cutters in 1873, including payments to the wife and family after the burial of the members. The death and permanent disability benefit was a major rallying point for the Railway Carmen, which began forming in 1888, for many of their members lacked the wherewithal to pay for funerals, or for their families to survive after their deaths. As late as 1943, the Amalgamated Clothing Workers set up their own insurance fund which was cheaper and better administered than many private insurance funds. Though non-members could not use this insurance, the fund was important in keeping union membership stable.

The above-mentioned were all union- (or association-) administered funds; they were paid for through dues and initiation fees and managed by the union. Some craft associations offered tool insurance, and the Sailors guaranteed tobacco while one was in the hospital. "Taking care of our brothers" and maintaining the quality of the craft were common themes of benevolent associations like the Carpenters and the Machinists. Though some unions did begin bargaining for insurance and pension provisions toward the end of the 19th Century, benevolent associations generally administered or organized their own funds.

In addition to constituting a service in themselves, benevolent-type services were important in building up the membership of labor associations which later became unions. For example, the Railway Carmen began forming lodges in 1888, organizing along railroad lines. The first objective of the group, stated at the 1888 convention [of seven lodges] was to "spread the Brotherhood and gain numeric strength before seeking to solve the problems of the car repairmen." They organized mainly around death and disability benefits and the need for dialogue about the quality of the craft and cooperation in work. They were also concerned with safety, and in 1892, they successfully lobbied Congress for regulation. However, it wasn't until 1892-3 that the Railway Carmen felt they were sufficiently large and powerful to effectively consider issues of wages, hours, and grievances. Even after this point, these matters were dealt with largely by the locals (with support from the national). Though the national union was oriented towards issues of wages and hours, the locals retained significant autonomy; sick benefits, for example, remained their exclusive provision.

The California School Employees Association also organized around mutual aid; in 1927, it was a group of seven janitors interested in setting up a pension plan. The organization grew school by school statewide, and the union formed around the structure of this mutual aid association.

The Brotherhood of Locomotive Firemen began in 1873 as a benevolent association; it offered sick and accident insurance as well as death and disability insurance. In 1885, it began acting as a labor union, concerning itself with protective issues. The benevolent functions, however, were instrumental in keeping the number of members high when the union was not successful in its bargaining. Helen Marot of the AF of L observed in 1914 that "the large membership of the [railway] brotherhoods is unquestionably due to the insurance features of the organization, rather than to the collective bargaining. . . ." Mutual aid and insurance services were the central incentives to join these groups.

A benevolent association constituted a structure which could easily become a union at this time, especially since members were bonded to the association through the dues and benefits system, and lines of communication were set up. Even when an association had assumed the function of bargaining, as the Carpenters did, one could potentially join for the benevolent functions. For example, the Grand Division of the Order of Railway Conductors maintained a voluntary mutual insurance association into the 1900s even after they began bargaining, and as earlier noted, the lodges of the railroad organizations maintained a good deal of autonomy.

Organized labor was relatively unsuccessful before 1935 in bargaining for higher wages and fewer hours, probably largely because employers had more latitude in their dealings with unions. Employers were not required to recognize unions or bargain with them, though a union could strike for recognition. Therefore, labor organizations in the 19th and early 20th centuries often encountered membership problems simply because it was difficult for them to be effective as bargaining agents; they had to be especially enticing and active to attract members. Workers considered union membership not worth the dues, and some members of purely protective unions (no "benevolent" functions) feared for their jobs in times of scarce employment.

Thus, mutual-aid-type benefits played an important part in keeping membership in a union in addition to their role in the organization of labor associations. Even when a union was unsuccessful in raising wages or shortening hours, death and pension benefits were strong incentives for a worker to remain a member of the group.

For example, the Carpenters Union was an amalgama-

## CHARACTERISTICS OF SOME EARLY UNIONS

| Union | Services Offered | Transition |
|---|---|---|
| Boilermakers | Death benefits, accident insurance. | Mutual aid-type locals form in 1830s along railroad lines; 1880s the boilermakers merge with blacksmiths, shipbuilders, and others. |
| Brotherhood of Locomotive Firemen | Death and disability ($1,000 in 1873 dollars) paid by active members. | 1873 founded; 1885 became union (could join simply for insurance). |
| Carpenters | Death and disability ($250 for six months membership in 1882 dollars); sickness and accident. | Scattered local unions, beginning 1798 in Canada; 1881 National forms; contains both protective and benevolent locals. |
| Cigar Makers | Death benefit 1867 ($550 for 15 yrs. membership in 1867 dollars); sick benefits 1880. | Organized 1864 as "protective union" (included because of strongly developed benevolent functions). |
| Granite Cutters Union | Sick benefits ($6/week paid through initiation fees in 1877 dollars) and death benefits ($50 in 1877 dollars). | Formed 1877, benefits central; 1888, membership absorbed into union (benevolent functions continued). |
| Iron Molders | Death benefits (variable; members assessed $.45 per death in 1870 dollars). | 1870 on, locals form; 1878 union constitution written. |
| Machinists | Death benefits ($50 for six months membership in 1892 dollars). | Locals organized 1888; 1892, International Association of Machinists; gradual transition to protective functions. |
| National Association of Letter Carriers | Old age (annuity plans) $100 annuity if one entered at age 30 required $1.68/mo. (1905 dollars). Also disability ($6/week, 1905 dollars). | Founded 1889; did not bargain until 1970s; founded as fraternal and mutual aid organization. |
| Railway Carmen | $1,350 life insurance in 1903 cost of insurance approximately $18 yearly. Also sick benefits. | Founded 1888; 1891-92 national begins to form and bargain. |
| Railway Switchmen | Death and disability. | 1866 locals in Chicago; 1887 national forms; contains benevolent and protective locals. |

*James L. Medoff is on the faculty of Harvard University's Economics Dept., and Nina A. Mendelson is a research assistant in the department.*

tion of a variety of locals, many of which formed as benevolent associations. The Society of the Brotherhood of Carpenters, in Halifax, Canada, banded together in 1798 to provide sick, accident, and funeral and other death benefits, all paid out of initiation fees and dues money. The national union, which formed in 1881, contained both "benevolent" locals which offered insurance and benefits and "protective" locals which focused on bargaining to change work conditions. In 1883, the union journal, The Carpenter, noted that the benevolent locals with a sick benefit and 50-cent dues "have been successful [in organizing] . . . while the cheap locals have all, or nearly all fallen behind." (Brooks footnote) Because of the business cycles (characterized as "boom and bust") in the building industry, the locals which offered bargaining but no benefits had trouble keeping up their membership. Association-type functions, however, continued to be a draw for membership.

Similarly, in the Great Panic of 1893-1897, many unions lost a considerable number of members (sometimes upwards of 50 percent), but the Cigar Makers, a union with a highly developed system of benefits, lost only 1.5 percent of their members during this period. While probably not the only factor, the system of benefits was clearly important in maintaining the membership of the union. The reasons for being a union member and being represented in the collective bargaining process might diminish as the demand conditions faced by an industry weakened, fear of loss grew, and significantly, unemployment appeared, but participation in a benefit program would remain an incentive for a worker to retain membership in a union.

Mutual aid provisions could constitute a sort of permanency. The International Ladies' Garment Workers' Union was very unstable at its inception, for example. One of its officers described the change that instituting benefit provisions wrought:

> There was nothing to bind the garment worker to his union. He would join and drop out at frequent intervals. The turnover was tremendous. With the introduction of the benefit system, conditions changed radically. Today, the person who joins the ILGWU has every good reason to maintain his membership, even in slack periods. He no longer drops his membership at the end of the busy season as he did formerly, because today his membership is a form of security against illness, unemployment, accident and death . . . (Munts, p. 5)

Even though benefit provisions were not important in the founding of this union, they certainly seem to be instrumental in holding members.

Because mutual aid or insurance type functions constituted extremely useful services as well as creating relationships of a significant duration, workers joined early benevolent labor associations in their workplace or craft. Later, many of these associations became unions, and dialogue about wages, hours, and workplace occurred within the association structure, as well as collective bargaining.

After becoming unions, these organizations continued to find benevolent functions useful in stabilizing membership (especially in times of economic downturn) and in organizing workers. Mutual aid and insurance was useful to a worker even when bargaining might not be, and labor associations were thus able to succeed when collective bargaining alone might not have brought or kept union members.

# New Books

## The Role of Unions in the American Economy

*By Ray Marshall & Brian Rungeling; Joint Council on Economic Education, 2 Park Ave., New York City. 172 pages, paperback, $8.50.*

The Joint Council on Economic Education is a joint labor-business effort to improve the knowledge of high school teachers and high school students about how the U.S. economy operates.

As you would expect, therefore, the authors of this JCEE book on unions—now in its second edition—make heroic and even at times excessive efforts to achieve objectivity and balance.

Union views and union answers to the critics of unions are set forth with understanding and sympathy by Ray Marshall, Secretary of Labor under President Carter and now professor at the University of Texas, and Brian Rungeling, a professor at the University of Central Florida.

The authors try very hard to be objective and balanced. As a result, criticism of unions frequently gets more attention than it deserves.

Perhaps this is the price of establishing credibility with high school teachers and high school students who don't get enough solid, factual, objective, balanced information about unions.

"We are convinced," Marshall and Rungeling say, "that unions and other labor organizations are necessary to the effective workings of a democratic society. Labor organizations provide workers with the means to promote their interests in a democratic society. We do not believe impersonal labor markets, employers, governments, or any other organizations can or will effectively protect the interests of workers at the work place or in the larger society."

Marshall and Rungeling endorse the basic policy set by the nation's labor law, that workers have the right to organize and bargain collectively through representatives of their own choosing:

"Collective bargaining has demonstrated its effectiveness as a good way to make rules governing wages, hours, and working conditions in many circumstances. The rules so developed are compromises between the interests of employers and workers and, therefore, encourage observance by both sides."

An early chapter of this book sets a general framework for understanding the role of unions in industrial societies with a review of the now classic approach taken by Clark Kerr, John Dunlop, Frederick Harbison, and Charles Myers in their 1960 volume on *Industrialism and Industrial Man*.

In their final chapter looking to the future, Marshall and Rungeling see "a widespread belief in all parts of the political spectrum that there must be cooperation between labor and management and between the public and private sectors in order to maintain or regain America's competitive position in the world and to make fuller and more efficient use of our resources."

But the authors note that the anti-union effort to achieve a so-called union-free environment weakens unions' interest in such cooperation. Strong anti-union campaigns will continue throughout the 1980s, they say.

Unions will remain influential in the American economy, Marshall and Rungeling declare. "Indeed, we expect the political influence of unions to increase as the nation's economic problems intensify and workers see the need to ensure that their interests are represented in national policymaking."

Furthermore, they note, "A democratic society will continue to strengthen the workers' right to choose whether or not to bargain collectively. Collective bargaining procedures and outcomes will alter to reflect changing technology and international economic realities, but the basic structure of the American industrial relations system is likely to remain the same."

Unions in the future will continue to stress both "bread and butter" issues of collective bargaining and also broad economic and social improvements through political and legislative action, according to Marshall and Rungeling.

The authors are impressed by "the continuing influence of the pragmatic economic goals established by Samuel Gompers in 1886, goals which profoundly affect the American labor movement to this day."

A short history of the American labor movement in this book includes discussion of the principles of union "autonomy" and "exclusive jurisdiction" and key decisions to work within the capitalist system to advance workers' interests through collective bargaining and legal, binding contracts between employers and unions.

Marshall and Rungeling point out that unions have a big interest also in fair income distribution, including anti-inflation wage and price controls.

"Unions in the United States object to these policies since unions perceive them as a restriction on the institution of collective bargaining. Not only do unions abhor such government regulations, but unions also see that governments tend to be more successful in controlling wages than prices."

Many other issues are discussed in this book, including union membership trends, the job impact of increased imports, occupational safety and health legislation, worker participation in productivity and job satisfaction projects, and the effects of changes in the American economy on jobs, job security, and wage structure.

This book is dedicated to the late Walter G. Davis, a long-time labor leader and strong supporter of economic education for high school teachers and high school students. He was a member of the JCEE board of trustees for almost 25 years. At the time of his death, he was director of community services for the AFL-CIO.

**Markley Roberts**

## Mike Quill—Himself.

*By Shirley Quill. Devin-Adair Publishers, 6 North Water St., Greenwich, Conn. 06830. 326 pages. $17.95.*

Mike Quill, the Irish rebel who built a union in the New York subway system, was president of the Transport Workers Union of America from its founding in 1934 until his death in 1966.

Shirley Quill, first a close associate, then his wife, and always his working partner, has written an admirable—and admiring—biography. The reader will learn what it was like to work 12 hours a day, seven days a week, under the most primitive of conditions in the dungeon that was the New York subway system. And the reader will learn also of the loyalties that bound the Irish rebels who emigrated to America. Those ties, knotted an ocean away, contributed significantly to the formation of the TWU.

The words "colorful" and "controversial" often were used to describe Mike Quill during his lifetime, and not without reason. He was both.

Here is Mike, himself, first in uneasy alliance with the communists in the turbulent Thirties, then a stern foe. And just as he never lost his Irish brogue, he never abandoned his commitment to social justice.

Neither history nor his contemporaries are likely to agree with his assessment of many of the labor and political figures of the era. But the biography is titled "Mike Quill—Himself," and it is as close to an autobiography as if Himself had written it.

**David L. Perlman**

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Three new publications on issues currently facing workers and their unions are available from the presses of the International Labor Organization, the specialized United Nations agency charged with promoting productive employment and improving working conditions and living standards throughout the world.

## The Reduction of Working Time

*By Rolande Cuvillier, 150 pp., $10, paper.*

This study deals with the economic and social effects of a possible reduction in working time in the industrialized market economy countries, where unions are seeking to establish a 35-hour workweek as the standard.

More leisure time for workers is a principal aim of the trade union movement. The idea that technical and economic progress should lead to a gradual reduction in working time derives from the idea that the benefits of increased productivity should be shared.

## Safety in the Use of Asbestos

*116 pp., $14.25, paper.*

There are three main health dangers associated with exposure to airborne asbestos: asbestosis, or thickening and scarring of the lung tissue; lung cancer, and mesothelioma, cancer of the pleura or peritoneum.

This handbook spells out a code of practice on safety in the use of asbestos put together at the ILO's behest by experts in the field. The book's practical recommendations range from the proper labeling of asbestos-containing products to the disposal of asbestos waste.

The code is not intended to replace national laws or regulations, but to provide guidance to those in the public and private sectors who have responsibility for safety and health in the use of asbestos.

## Occupational Hazards from Non-Ionizing Electromagnetic Radiation

*133 pages, $10, paper.*

This is an overview of the potential health hazards to workers through the uncontrolled use of, or excessive exposure to, electromagnetic radiation.

The rapidly expanding scientific, medical, industrial, and home use of devices such as video display terminals and microwave ovens is leading to a steady increase in the amount of such radiation in man's living and working environment. The book explores at length the adverse health effects.

All three publications may be obtained in the United States by writing ILO Publications Dept., 1750 New York Ave., N.W., Washington, D.C. 20006.

**James M. Shevis**

**Damages reversed**

# Public employees win California strike case

Sacramento—California public employees may strike over wages and working conditions provided the work stoppage does not pose "an imminent threat to public health or safety," the state supreme court ruled.

In one of three concurring opinions in the court's 6-1 decision, Justice Allen Broussard wrote, "The right to strike, as an important symbol of a free society, should not be denied unless such a strike would substantially injure paramount interests of the larger community."

The ruling, which was immediately attacked by state Republican leaders, came on a 1976 case involving Service Employees Local 660 and the Los Angeles County Sanitation District 2. It reversed lower court rulings and voided a $335,000 damage award to the sanitary district.

SEIU Local 660 Manager Phil Giarrizzo hailed the decision as a "remarkable victory for public service employees."

Giarrizzo added, "This ruling brings equality to bargaining and it comes at the most critical time for us." Contracts between Los Angeles County and the 11 unions representing its 60,000 employees expire Sept. 1.

California state laws do not specify whether strikes by public workers are legal, other than to rule out strikes by fire fighters, the court noted.

On July 5, 1976, most of the sanitary district's 500 workers struck after negotiations for a new agreement reached an impasse. After 11 days, the workers accepted the management offer that had been made prior to the strike. The sanitary district then sued the local for damages. The trial court ruled that the strike was unlawful and awarded damages. This ruling was later upheld by the appellate court.

### Outdated theory

The state's high court, however, found fault with the basic arguments used to justify a ban on public employee strikes. The traditional justification—that such a strike is tantamount to a denial of governmental authority—is "a vague and outdated theory based on the assumption that 'the King can do no wrong,'" the court said.

In shooting down the argument that strikes by public workers will give them too much bargaining power, the court said other factors serve to temper the potential bargaining power of striking public employees, such as lost wages, public opinion, economic constraints and the availability of subcontracting.

The justices found little evidence that governments "capitulate to unreasonable demands by public employees in order to resolve strikes." They pointed to the SEIU case as an example of the opposite.

The court also noted that governments often provide services comparable to those found in the private sector and "we tolerate strikes by private employees in many of the same areas in which the government is engaged."

Gov. George Deukmejian and other Republican leaders denounced the court's decision as "outrageous." Conservatives on the County Board of Supervisors said they will seek a statewide initiative, and Assembly Republican Leader Pat Nolan said he will introduce a constitutional amendment to overturn the court's ruling.

California AFL-CIO Executive Sec.-Treas. John Henning said he viewed the GOP efforts as "part of a continuing struggle of the labor movement when it tries to protect workers' rights." He said organized labor will oppose the measures with a "high profile" campaign.

# Purchasing power of workers down for month, year

Workers' buying power dropped three-tenths of 1 percent in April, reflecting a decline in hours worked and a rise in consumer prices, the Bureau of Labor Statistics reported.

The April drop in real, or inflation-adjusted, weekly earnings resulted from a three-tenths of 1 percent decrease in average weekly hours and a four-tenths of 1 percent jump in prices, as measured by BLS's Consumer Price Index for Urban Wage Earners & Clerical Workers (CPI-W.).

Over the year, real average weekly earnings were down by 2.1 percent. A typical nonfarm production worker grossed $300.11 a week in current dollars last month, but after allowing for inflation the figure was only $171.88. A year earlier, the same worker drew an average $175.41.

BLS said real average weekly earnings were down over the year in all eight industry groups that it keeps records on.

More than half the rise in last month's consumer price index was due to increases in petroleum-based energy costs as both gasoline and fuel oil prices jumped sharply, BLS said. On the other hand, food prices fell, after registering no change in March.

The increase in the CPI brought the inflation rate so far this year to 4.1 percent when figured on an annual basis. A separate, Consumer Price Index for All Urban Consumers (CPI-U) also rose four-tenths of 1 percent in April. CPI-W is used to escalate negotiated contracts and for indexing social security and some other federal programs.

### Gas prices soar

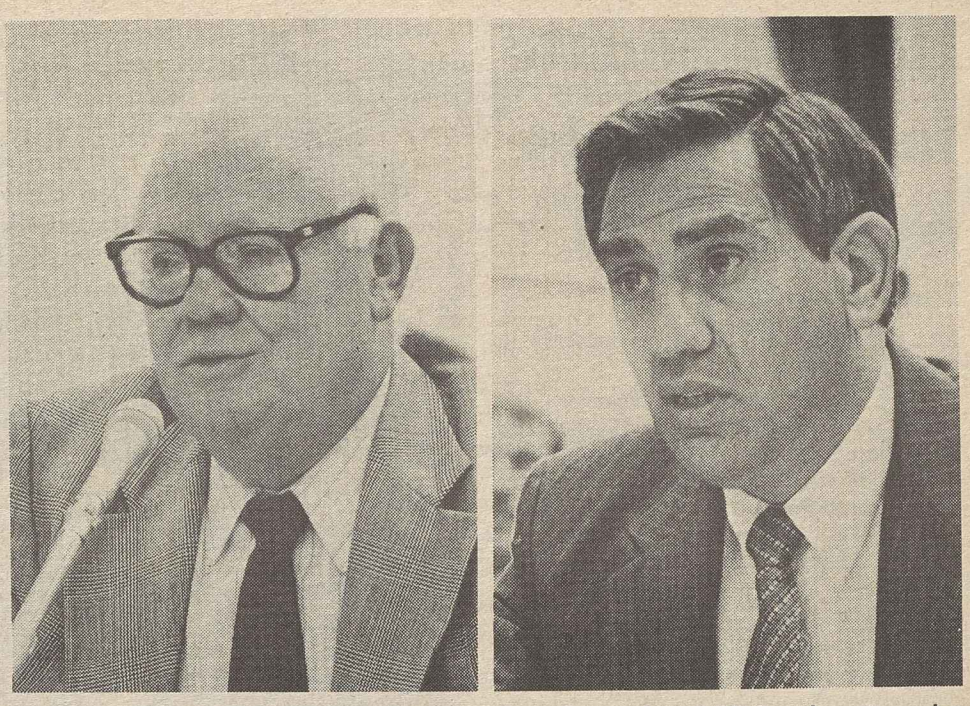
Gasoline prices increased by a sharp 3.1 percent while heating oil prices rose 3 percent. Gas and electricity edged up only two-tenths of 1 percent, however.

Food prices declined two-tenths of 1 percent in April, influenced largely by a 1.1-percent drop in prices for meat, poultry, fish, and eggs.

Shelter costs, measured by rents and rental equivalence in the case of homeowners, rose five-tenths of 1 percent over the month and were 6.9 percent higher than a year earlier.

New car prices were unchanged in April and used car prices were down four-tenths of 1 percent. Auto finance charges, which fell six-tenths of 1 percent last month, posted their fifth straight monthly decline.

Medical care charges rose five-tenths of 1 percent and were 5.9 percent ahead of the year-earlier level.



Case against double-breasted contractors is made at House hearings by Operating Engineers President J. C. Turner, left, and Building & Construction Trades President Robert A. Georgine.

# Building Trades seek curbs on 'double-breasted' firms

Building trades unions are looking to Congress to close a loophole in federal labor law that—at least under the NLRB's interpretation—allows contractors to set up non-union subsidiaries to evade compliance with pre-hire agreements.

Building & Construction Trades Dept. President Robert A. Georgine charged at House hearings that a proliferation of so-called "double-breasted" operations is undermining collective bargaining and the stability of labor relations in the construction industry.

Georgine and Operating Engineers President J. C. Turner strongly endorsed the Construction Industry Contract Security bill introduced by Rep. William L. Clay (D-Mo.), the subcommittee chairman, and numerous cosponsors.

The legislation would require contractors who enter into a collective bargaining agreement to apply its provisions to all parts of their operations. It would make clear that where there is common ownership, management or control of business engaged in similar construction industry work, all of these entities would be considered a single employer within the meaning of the National Labor Relations Act.

That's what Congress intended when it authorized prehire agreements, Georgine insisted. Pre-hire agreements, he noted, were established to meet the construction industry's need for a dependable source of skilled workers for jobs that frequently are of short duration.

Turner told the panel of the experience of the Operating Engineers Local 312 in Birmingham, Ala., with McDowell Contractors, Inc., a firm with which it has had collective bargaining agreements since 1964, at first separately and then as part of a multiemployer unit.

Both sides benefited from the agreement, Turner noted. "But in 1980, all that changed."

### Name game

At that point, he testified, the company advised the union that it had undergone a corporate reorganization and that a new company called McDowell Materials Corp. would carry out an airport construction contract that had been awarded to McDowell Contractors, Inc. Since the "new firm" was non-union, it wouldn't be bound by the terms of the former pre-hire agreement.

"This was a classic case of double-breasting," Turner noted. The courts upheld its legality on the basis of previous NLRB and court decisions. But even in upholding the company's manipulations, Turner noted, a concurring opinion in a federal appellate decision noted that the construction workers were left "without the effective protections of collective bargaining," and deprived of the ability to exercise rights supposedly guaranteed under the National Labor Relations Act.

It is clearly up to Congress to remedy the injustice, Turner urged.

# *Sluggish economy threatens jobs*

**Continued from Page 1**

forced a consensus that is rapidly forming among both private and public economists that a recession is in the making. A survey of members of the National Association of Business Economists (NABE) found that 58 percent expect a recession next year as a result of large trade and budget deficits.

The NABE report suggested that the downturn could add as much as $100 billion to the already huge federal budget deficit and push the jobless rate to about 8 percent by the end of the year.

The government's report on real GNP contained other troublesome statistics:

- Actual final sales of goods and services rose only one-tenth of 1 percent in the first-quarter. Almost all the increased production went into business inventories.
- Business investment rose at an annual rate of only 2.6 percent, providing little momentum for economic growth. The figure compared with an 8.5-percent rise in the final quarter of 1984 and a 19.8-percent increase in all of 1984.
- Inflation, as measured by what the government calls its GNP "implicit price deflator," jumped to an annual rate of 5.6 percent, up from 2.8 percent in the fourth quarter of last year. The measure is considered by economists as the broadest, most accurate gauge of inflation.

The report also showed that the four-year rise in the value of the American dollar, which has made it difficult for U.S. goods to compete with foreign products, has worked severe damage to domestic manufacturing industries.

"It is one more example that the Reagan Administration policies are driving U.S. manufacturers out of business," Oswald said.

### Corporate profits drop

A Wall Street Journal survey of 566 major firms found that after-tax profits were down 8 percent from a year earlier, due largely to stiff import competition.

The Journal survey found auto and truck companies performed well over the quarter, but steelmakers and oil companies reported red ink. Also doing poorly were industries such as broadcasting, entertainment, chemicals, construction and engineering, industrial and farm equipment, mining, and textiles.

Other indications of a flagging economy:

- Factory output declined two-tenths of 1 percent in April, pointing up once again the inroads made by foreign competition on the industrial sector.

At the same time, the Federal Reserve Board reported that capacity utilization of American factories declined a half point, to 80.6 percent, over the month.

- To pump up the soggy economy, the Fed cut its key discount lending rate a half point to 7.5 percent, the lowest level in nearly seven years. The central bank said it took the action "against the background of relatively unchanged output for some time in the industrial sector of the economy, stemming heavily from rising imports and a strong dollar."

Major banks immediately lowered their prime lending rate from 10.5 to 10 percent. The Fed's discount rate is its charge on loans to financial institutions. The prime rate is the interest banks charge their most creditworthy customers.

- Big-ticket factory orders grew only 1 percent in April, not enough to make up for declines in the previous two months.
- New housing construction fell 13 percent in the first three months of the year compared with a year earlier, the F. W. Dodge division of McGraw-Hill Information Systems Co. reported.
- Retail sales in April were disappointing, with big retailers such as Sears, Roebuck & Co. and Montgomery Ward & Co. reporting sales virtually unchanged.

# House, Senate face conflicts over budget

Continued from Page 1

low an estimated $15 billion increase in military outlays.

The House rejected, however, an amendment supported by the Democratic leadership that would have endorsed the concept of a more effective minimum tax on corporations and wealthy individuals, but putting off until later a decision on how the added revenues should be applied.

The AFL-CIO had strongly endorsed a corporate minimum tax—both to make fairer a system under which billions of dollars in corporate profits go untaxed and to provide revenue needed for federal programs and debt reduction. But the House voted 283-142 not to make the minimum tax endorsement part of the budget resolution.

All other changes in the Budget Committee resolution were likewise rejected by big margins. Before final passage, the House turned down a Republican substitute that would have left the social security COLA intact but would have sharply reduced domestic spending and increased the military budget. It was beaten, 329-102.

Both the House and Senate budget resolutions would reduce federal spending by an estimated $56 billion from the amount needed to fully fund existing programs.

### Defense spending

In the national defense category—by far the biggest expenditure—the Senate would allow spending commitments to rise to $302.5 billion in fiscal 1986, while the House would hold the amount to this year's figure of $292.6 billion.

While social security is the next biggest outlay in the budget, the money paid out is less than the revenue that is collected for the program from the payroll tax paid by workers and their employers.

Both bills would end general revenue-sharing to states and localities in fiscal 1987, but the House cut more deeply into next year's funding than did the Senate—one of the few instances where labor preferred the Senate version.

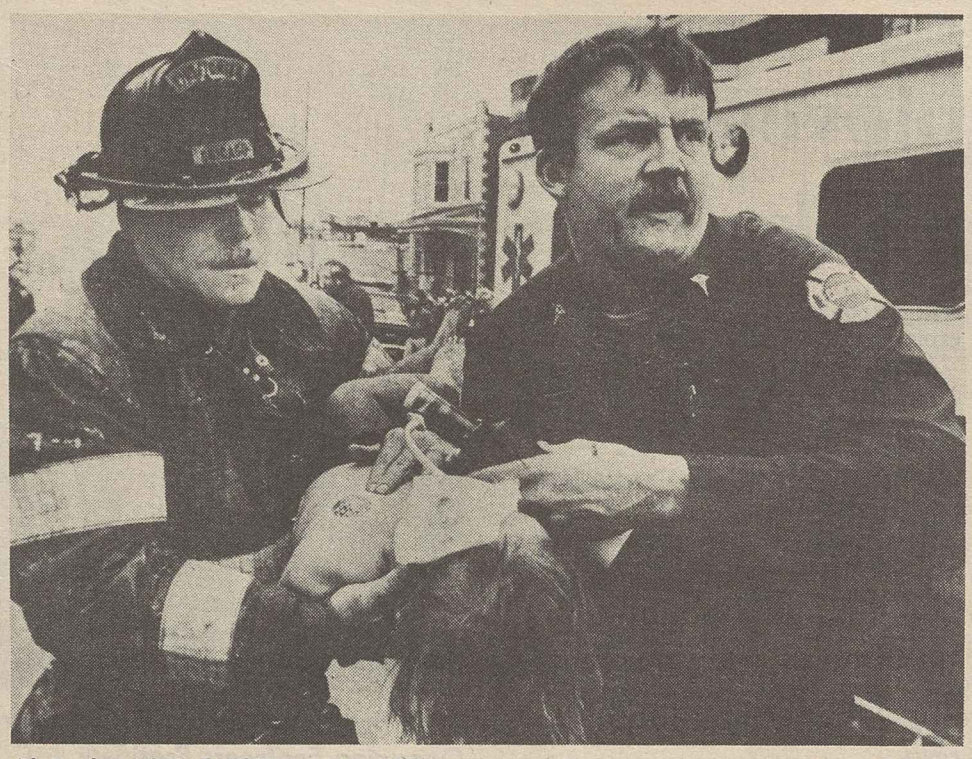
In some other areas of comparison:

- The Senate voted heavy cuts in urban mass transit programs while the House would freeze spending at present levels.
- The Senate budget would reduce funding for the Job Corps, guaranteed loans for college students, job training and employment services, community service block grants to local governments, food stamps, nutrition and public housing programs. The House would continue these programs with increases to cover inflation and any anticipated growth in caseload.
- The House allowed funding for Medicaid—the health program for low-income families—at current service levels, with allowances for inflation. The Senate budget assumes "savings" in the program costs.
- Both the House and Senate would limit Medicare payments to doctors and hospitals. But the Senate, unlike the House, would impose added costs on the elderly.
- The Senate would make deeper cuts in Amtrak subsidies for railroad passenger service than the House approved.
- The Senate cut substantially more from rural housing assistance than the House version.

## Former UAW economist Nat Weinberg dies at 71

Nat Weinberg, retired director of economic analysis, for the Auto Workers, died of heart failure at Sibley Memorial Hospital in Washington May 19. He was 71.

Weinberg began his union career in the research department of the Ladies' Garment Workers. He joined the UAW in 1947 as director of research and engineering.



Al Podgorski of Chicago Sun-Times won a top award in the Fire Fighters 1985 media contest with this photo on a tragic fire that killed six persons.

# Fire Fighters' awards honor outstanding media coverage

The Fire Fighters presented awards to 32 entries in the Union's 1985 Media Awards Contest to honor outstanding journalistic achievement in portraying the professionalism of its members and the hazards they face on the job.

IAFF President John A. Gannon noted the high quality of the hundreds of entries, saying they reflect the media's concern with the profession's hazards.

Fire fighters "continually face death or injury when they respond to an alarm," Gannon said. "They are gratified by the accuracy of the reporting and the sympathy their work receives from the media."

The top awards in the best news or feature story category went to Shirley Matthews of the Stamford (Conn.) Advocate and to Kate Phillips of the Rochester (N.Y.) Times-Union for newspapers below and above 100,000 circulation respectively. Matthews's story gave an account of the hazards of modern-day flammable materials and the effects of a major fire on the victims, fire fighters and the community. The report was instrumental in winning passage of a state "right-to-know" law. Phillips's story concerned the motivation of some children to set fires.

### Photo winners

Michael Delaney of the Miami News captured the top photo award for newspapers under 100,000 circulation for a dramatic picture of a rescue attempt that failed. In newspapers of more than 100,000 circulation, the photo competition produced a tie between two photographers for coverage of the same tragic fire. Michael Fryer of the Chicago Tribune and Al Podgorski of the Chicago Sun-Times won for their photos of a tenement fire in which six died.

The top television news award went to Judith Ann Burgess of KHTV in Houston for a profile of the professional fire fighter, showing the human costs and commitment required of the career professional. The award for the best radio editorial comment went to David B. Weiss of WRJN in Racine, Wis., for a series of five-minute broadcasts on the value of the rescue squad and fire fighters to the community.

The Seattle Fire Fighter, published by IAFF Local 27, captured the award for the best union publication, and the Los Angeles Fire Fighter, produced by IAFF Local 112, came in second. Honorable mentions went to The Baltimore City Fire Fighter of IAFF Local 734 and Relay Line of IAFF Local 48 in Cincinnati.

### Series award

A special award went to Local 1897 members John Wason, John Stanko and Ross Gardiner of the Canton, Ill., Daily Ledger for a series in observance of National Fire Prevention Week.

Another special award cited Robert A. Fabrich of Hampton, N.H., Local 2664 and Steve Haberman of the Atlantic News & Advertiser for a special edition honoring more than 150 years of service by the local fire department.

Judges for competition were John M. Barry of the AFL-CIO News; James F. Casey, retired editor of Fire Engineering magazine, and Jeff Sheler of U.S. News & World Report.

# Striking pilots halt 85% of United flights

Continued from Page 1

only about 200 were getting off the ground.

More significantly, only four of the 570 pre-hired pilots—those trained by United to replace ALPA members in the walkout—crossed the union picket lines at 60 sites around the country.

In addition, 92 percent of the 10,000 flight attendants stayed away from their jobs in response to a call from the Flight Attendants union.

ALPA and company negotiators met throughout the week with a federal mediator for marathon sessions near Chicago.

"We remain optimistic for a negotiated settlement that takes into consideration our concerns, and we are proud and gratified by the solidarity of the United pilots and those unions that have pledged their support," ALPA President Henry Duffy said.

The strike began May 17 at the end of a 30 day "cooling-off" period mandated under the Railway Labor Act.

Preparing for a protracted walkout, ALPA's five-member executive committee backed the United pilots by unanimously approving strike benefits of $1,000 to each striker beginning in June.

### Strike support

"Our membership is prepared to go deep into its pocket to help the United pilots get a fair contract," Duffy said. "The issue in their strike is critical to all airline pilots, and we support them 100 percent."

Duffy said he will call a special meeting of the union's 300-member board of directors within the next three weeks to confirm the committee's action.

Under United's demand for a two-tier pay scale, wages of new pilots would be slashed up to 57 percent from the level pilots hired under the existing contract, the union observed. United wants to maintain those separate scales for about 20 years. Aside from the fairness question, ALPA contends that the two-tier system would discourage the most qualified pilots from joining United.

The airline insisted that it needs the two-tiered system to remain cost-competitive. The union, which has made some $360 million in concessions to help the carrier since 1981, pointed out that in 1984 United posted a record operating profit of $564 million, the highest operating profit in its history.

# Mime Troupe on labor's unfair list

San Francisco's Mime Troupe has been placed on the AFL-CIO's Unfair List at the request of Actors' Equity which has been trying to organize the troupe since 1980.

The San Francisco Mime Troupe has been operating since 1959 as a live theatrical performing company. It claims to operate as a "collective," said Alan Eisenberg, executive secretary of Equity.

Eisenberg said the group claims to be "pro-union" and "pro-labor," yet it has refused to negotiate an agreement with the union "despite our good faith efforts to organize them since 1980."

The troupe was placed on the "Do Not Patronize" list of the San Francisco AFL-CIO after it approached that body for financial assistance and patronage, Eisenberg said.

The troupe performs at various theaters and auditoriums throughout the United States.

The Equity executive council initiated a boycott against the San Francisco Mime Troupe in April.

# *Schedule of Labor Studies Center courses*

The George Meany Center for Labor Studies will offer six labor studies institutes and workshops during June and July. The schedule:

**Advanced Leadership Skills,** June 2-7—A workshop on improving reading, speaking and writing skills, and more effective ways to conduct meetings.

**Occupational Health & Safety,** June 2-7—A program focusing on health and safety hazards, worker and union rights under OSHA, and safety issues in negotiating and administering contracts.

**Fact Finding & Interest Arbitration,** June 16-21—An institute to examine the forms of interest arbitration and the use of fact finding to settle public employee contract impasses.

**TV: The Cool Medium,** June 30-July 3—A three-day workshop to coach officers of local central bodies on working with TV reporters. Participants will have three exercises facing the video camera: A hostile confrontation, a panel discussion and a studio interview.

**Corporate Finance & Investment Practice,** July 9-12—An institute to explore investment banking, corporate acquisitions, mergers, leveraged buyouts, and the general financial behavior of U.S. corporations.

**Bargaining for Improved Health Care,** July 21-24—A program to equip union officers and staff to deal more effectively with single employer health care benefit programs.

Six AFL-CIO affiliates will use the center during June for training sessions for their own staffs: State, County & Municipal Employees, June 2-7; Flight Attendants, June 9-14; Asbestos Workers, June 17-18; Air Line Pilots, June 19-21; Service Employees, 23-28, and Teachers, June 23-28.

The American Institute for Free Labor Development will tutor 40 union leaders from Bermuda on campus June 3-8, and 40 Spanish-speaking trade unionists from Latin American countries, June 16-July 19.

More information on these or other labor studies is available from Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903; telephone 301-431-6400.

# EDITORIALS

## Some Difference

DONALD L. DOTSON, the chairman of the National Labor Relations Board, complains that he is a much misunderstood person. He sees himself as the victim of a misconception, spread by unions, the media and the academic community, that he is anti-union and that the NLRB under his leadership has tipped the scales heavily to the employer side.

Dotson couldn't have chosen a friendlier audience to air his grievances. His host, the Central Piedmont Employers Association, could be counted upon to be perfectly in tune with the Dotson labor board. Any union organizer who has worked in North Carolina can testify to that.

It's not easy to leave private life and enter government service determined to "make a difference," Dotson complained. As he sees it, too many people who go into government choose to go along with the current and then are praised as "moderates."

But, he warns, "if you want to make a difference in the labor relations area, you will run afoul of . . . three groups bound together by ties of interest and ideology."

The villains, Dotson explains, are "institutional labor, the working press and a large segment of the academic community."

Thus, an attack on the Reagan-appointed NLRB in The New Republic magazine is followed up by articles in Newsweek and Business Week "which faithfully echoed the contents." And the Wall Street Journal uses "inflammatory" language such as describing an NLRB policy reversal as "controversial." As for academia, Dotson dismisses one of his critics, a UCLA professor who wrote an article for the Los Angeles Times, as "Marxist-oriented." He goes on to complain that similar "Board-bashing" criticism has come from "more conventional labor scholars."

DOTSON IS especially upset by what he views as a distortion of the views he expressed in a letter to the American Bar Association Journal shortly before he joined the Reagan Administration. The quotes used in the Los Angeles Times article, Dotson complained, omitted words so as to make it appear that he opposed collective bargaining and thought unions destroyed individual freedom.

Dotson did not bother to quote the paragraph that he contends would put the phrases in context, so we will do so for him:

"In both the public and private sectors, the strike has come to mean not merely a concerted withholding of labor but a concerted effort employing violence, intimidation and political intervention to prevent people who want to work from working. In other words, collective bargaining frequently means labor monopoly, the destruction of individual freedom, and the destruction of the marketplace as the mechanism for determining the value of labor. An employer's right to replace strikers has been rendered meaningless in most major industries."

Dotson attributes this state of affairs to the NLRB's "tendency to act as a legal aid society and organizing arm for unions."

The words speak for themselves. Even the most paranoiac NLRB chairman can't make a case that they are out of context. Mr. Dotson, himself, has provided the smoking-gun evidence of his unfitness for the post he holds. Deplorably, many of the opinions he helped shape as NLRB chairman faithfully reflect the bias he brought with him.

## The Wrong Way

THE YOUTH subminimum wage is the wrong way to deal with the real problems of young people in terms of their needs for education, training and employment.

Its benefits accrue to predatory employers and not to workers.

The right approach must include improvement and expansion of education, training, work experience and employment opportunities for young people, with special emphasis on stay-in-school programs.

The existing minimum wage is already a subminimum in terms of purchasing power.

*—From AFL-CIO testimony before the Senate Labor & Human Resources Committee, May 22, 1985.*




**Washington Window**

# Needless plant closings hurt more than workers

**By Press Associates, Inc.**

In June 1983, the 130 workers at the Ferro Manufacturing Corp. plant in Mount Pleasant, Mich., went on a two-week layoff for the annual inventory-taking. Or so they thought.

When they returned to work, the workers found that the plant had been stripped of most of its machinery. Under the cover of darkness, movers had loaded the equipment onto flatbed trucks and headed for parts unknown.

To avoid attracting the attention of workers living nearby, the company had asked the movers to work with as little light as possible and to cover the plant's windows with canvas.

But alert workers had smelled a fish and notified their local union representatives about the unusual nightime activity at the plant. Company officials repeatedly denied what had become obvious—that the plant was being closed down.

The denials continued even after workers returned July 5 to a largely empty factory. After continued questioning and legal action by the union, management finally admitted that the plant would close on Aug. 31, 1983. The company then agreed to negotiate a plant-closing agreement.

### Legislative need

Auto Workers President Owen Bieber related this story at a joint hearing of two House Education & Labor subcommittees which are considering a bill that would require employers to give a 90-day notice of a plant closing or a permanent layoff of 50 or more workers. Employers also would be required to discuss alternatives with the union. In addition, the bill would establish a bipartisan national commission to develop policies and programs to prevent shutdowns and assist dislocated workers.

Between 1979 and 1984, more than 5 million experienced workers lost their jobs because of plant closings and permanent layoffs. Every state and region was affected—the Sunbelt along with the "Rustbelt." Forty percent of these dislocated workers were still jobless when contacted in 1984. Many of the 60 percent who found jobs suffered substantial declines in living standards.

As in the case of the Ferro plant, most of the shutdowns occur with little or no advance notice. "The hardship of a plant closing is often intensified because of the suddenness," noted Rep. William L. Clay (D-Mo.), a sponsor of the legislation.

As Bieber told the House panels, "Few decisions in our society have a more profound impact than decisions to close or move a plant."

### Two examples

If workers and communities are given adequate warning, plant closings often can be averted. Bieber offered two examples. In 1982, General Motors announced it would close its Rochester Products Division in Tuscaloosa, Ala. GM said the plant was no longer profitable.

However, the UAW local, joined by the University of Alabama and state officials, began working on ways to keep the plant by lowering its operating costs. A plan was drawn up and an agreement with GM was reached. Just eight months into the project, the cost savings target was achieved. GM then announced plans to invest $14 million in new equipment for the plant.

The other example involved Chrysler's Detroit Forge plant, which had been set for closing in 1982 unless large physical conversions could be made. UAW skilled trades workers initiated and developed a renovation plan which they proposed doing themselves.

Chrysler agreed and the workers proceeded to modify forge presses, re-build scavenged machinery, and renovate buildings. The plant was saved.

However, as Bieber noted, without "a public policy requiring advance notice and consultation, the opportunity to save troubled but potentially viable plants is available only in a small minority of cases."

The plant shutdown bill represents a minimum, first step toward preventing and cushioning the devastation wrought by shutdowns on workers, families and communities.

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# LEGISLATIVE ALERT!

*AFL-CIO Testifies Against Youth Subminimum*

## Wage Bill Would Exploit Young People, Senate Told, While Putting Many Older Americans Out Of Work




Senator Orrin G. Hatch (R-UT) has begun anew his campaign to lower the wages of America's working young people and last week presided over Senate Labor Committee hearings to promote the Reagan Administration's Youth Subminimum Wage Bill, S. 797.

Called the Youth Opportunity Wage Act of 1985, the bill was quickly renamed the Youth Discrimination and Disemployment Act by AFL-CIO Legislative Director Ray Denison who testified before the Committee May 22, on behalf of the Federation.

Denison pointed out that the bill does many things, none of them good for workers or young people. "Its an unfair and ineffective deception hiding behind the noble purpose of creating jobs for young Americans," he said.

The present minimum wage is $3.35 an hour. Hatch's bill would reduce it to $2.50 per hour during the months of May to October for youths between 16 and 20 years of age.

The Federation is strongly opposed to the bill because it discriminates against young workers based on their age and at the same time displaces older workers. In addition it has been shown that subminimum wage laws do not create new jobs or alleviate youth unemployment. What it will do is serve up hundreds of thousands of disadvantaged young and poor workers to employers most willing to take the rather minimal risk of exploiting them.

"The minimum wage in America was established as a national statement that employers would not be allowed to exploit their employees by paying subminimum wages," Denison pointed out. "Congress established a floor -- a minimum that was to be the absolute lowest wage considered appropriate in American society. Now we are urged to undermine that floor by exploiting our children. Is there no shame?"

Any sincere approach to solving the problem of high youth unemployment in this country "must include improvement and expansion of education, training, work experience and employment opportunities for young people, with special emphasis on stay-in-school programs," Denison said.

A companion bill H.R. 1811 has been introduced in the House of Representatives, but action is not considered likely at this time.

Supporting the subminimum wage are Labor Secretary William Brock, the Black Mayors and the Chamber of Commerce. Joining the AFL-CIO in opposition are the National Association for the Advancement of Colored People, the Labor Commissioners of the 50 States and the Youth Coalition for Jobs and Fair Wages.

## How You Can Tell The Special Interests From The Peoples' Interests

In Washington there are special interests and then there are people interests. During recent congressional testimony of AFL-CIO Secretary-Treasurer Thomas R. Donahue on South Africa, Congressman Howard Berman (D-CA) took time to explain the difference to his colleagues:

"When I see Secretary-Treasurer Donahue of the AFL-CIO here, it gives me a chance to say what I've been thinking for some months now...The fact is that if this is a special interest, it's been an interest that historically...has been invariably and repeatedly involved in lobbying in behalf of proposals that do not have direct economic benefits to its own membership -- the issue of South Africa being a very good case in point.

"The fact is that there is probably no civil rights bill that has passed this Congress that would have passed were it not for the lobbying force of the AFL-CIO. And the fact that they are on board on this, I think enhances dramatically the chances of its successful conclusion."

## *Momentum Growing For Stronger Trade Enforcement Laws*

Pressure is mounting for Congress to take action to protect the U.S. textile and apparel industry from unfair competition from abroad. At stake is a vital American industry and the jobs of thousands of workers.

H.R. 1562 and S. 680 have been introduced to establish new import levels for textiles and textile products. Exporting countries would be permitted to expand their exports to the U.S., but limits would be placed on the rate of increase.

The bill already has 273 cosponsors in the House and 45 cosponsors in the Senate. The next step for this important bill is a hearing scheduled in the House Ways and Means Committee.

What you can do: Contact your senators and representative and urge them to cosponsor H.R. 1562 or S. 680, to save jobs and to begin congressional action this year!

*Harris Public Opinion Survey*

## Poll Shows Americans Worried About Japanese Competition

A new Harris poll published May 11 shows that Americans are very concerned about competition from foreign countries and the jobs it takes away. The poll shows that Americans on the whole were opposed to President Reagan's recent lifting of voluntary import restrictions against Japanese auto makers. They also have doubts as well about Japanese companies coming into this country to invest.

Below are the pollster's questions and the response from a sampling of Americans:

*Should the United States encourage Japanese investment here, discourage it or not do much either way?*

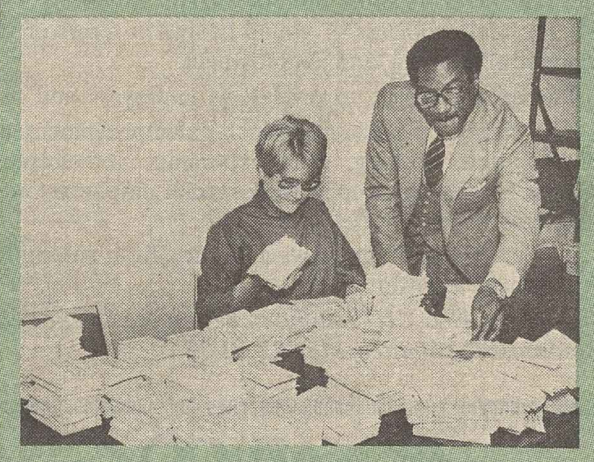
| | |
|---|---|
| Discourage It | 50% |
| Encourage Investment | 15% |
| Not Do Much Either Way | 30% |

*How serious do you feel it is that Japan is selling so much more to the United States than the United States is selling to Japan?*

| | |
|---|---|
| Very Serious | 55% |
| Somewhat Serious | 31% |
| Not Very Serious | 7% |
| Not Serious At All | 4% |

*President Reagan ended the restrictions on Japanese auto imports to this county which had been limited to a 22 percent share of the market. Do you think it was a good or bad idea to end all restrictions on Japanese autos coming into the U.S.?*

| | |
|---|---|
| Bad Idea | 56% |
| Good Idea | 38% |



## Postcards Arriving By The Bundle

**AFL-CIO Associate Director of Legislation Robert McGlotten and office worker Marge Tracey sort some of the 10,000 postcards the Federation has received during the campaign against the proposed tax on life support benefits. For each card received, three more were sent to congressmen and senators, telling them to put a halt to the proposed tax scheme.**

# NLRB tilts sharply against unions, study finds

Workers and their unions are up against a stacked deck in dealings with the National Labor Relations Board.

That's the conclusion of a study by the AFL-CIO Lawyers Coordinating Committee of NLRB decisions since September 1983, when President Reagan's appointees first made up a majority of the five-member labor board.

The study is most detailed for the first year of the Reagan takeover, but a 1985 update shows the pro-employer tilt has become even worse.

The first-year of a Reagan majority saw 60 percent of contested unfair labor practice and representation cases decided in favor of the employer. For the first three months of this year, 65 percent of all such cases—nearly two out of three—were decided for the employer.

Perhaps not entirely by coincidence, the increase in the already pronounced employer advantage came after the term of the last holdover NLRB member had expired and all three board members were Reagan appointees. Two other Reagan appointees nominated this March, have just been confirmed by the Senate.

The lawyers' committee, made up of attorneys representing AFL-CIO affiliates, compared the first 12 months of a Reagan-appointed NLRB majority with the pattern of comparable periods in the two previous presidential administrations.

Chosen for comparison were the Murphy Board, when Republican Betty Murphy chaired the NLRB during President Ford's Administration, and the Fanning Board, under Democrat John Fanning during the Carter Administration. Their records were compared with that of the Dotson Board, under Reagan-appointed Donald Dotson.

The Dotson Board's record from September 1983 through August 1984—the first year of a Reagan-appointed majority—showed 60 percent of all contested unfair labor practice and representation cases decided in the employer's favor.

That contrasts sharply with the 27 per-

**Continued on Page 3**

AFL-CIO news

VOL. 30, NO. 22
SATURDAY
JUNE 1, 1985,

MEMO FROM COPE
PAGE 8




Lane Kirkland joins the ALPA picket line against United Airlines in San Francisco with Flight Attendants' Council 11 chairperson Nancy Williams.

# Striking pilots hit United on union-busting tactics

A United Airlines threat to hire strikebreakers as permanent replacements for 5,000 striking Air Line Pilots has turned the two-week walkout into a battle against union-busting, ALPA said.

"This is no longer an economic strike," the union stressed. "We are on strike against the union-busting stance the company has taken."

Although the union and the airline reached a tentative accord May 24 on economic issues that triggered the strike, they could not resolve differences on a back-to-work agreement. Talks broke off the next day and United subsequently announced its intentions to hire scabs in an attempt to resume full operations.

Despite its union-busting threats, 86 percent of the United flights stayed grounded as the 5,000 pilots have remained on the picket lines since the strike began May 17.

The walkout resulted from the company's insistence on a two-tier pay formula that would sharply reduce wages of newly hired pilots. Details of the agreement on a revised two-tier arrangement were not released.

United has prolonged the strike by refusing to agree to normal back-to-work measures, ALPA charged.

The airline is demanding that 200 strikebreakers be given seniority rights

**Continued on Page 2**

# Reagan's tax plan offers key reforms but loopholes stay

The AFL-CIO welcomed elements of President Reagan's tax reform proposals but expressed disappointment that they fall short of the "major overhaul" needed to restore fairness to the federal tax structure.

Federation President Lane Kirkland said organized labor will support the parts of Reagan's program that further the goal of tax fairness, "such as those that remove additional numbers of the poor from the tax rolls." But he expressed regret that Reagan's tax message failed to fulfill the expectations the President had previously raised.

"While our initial examination indicates that a number of features of the President's program have merit," Kirkland observed, "his proposals fall well short of the major overhaul needed to end the unfair preferential treatment given stock and real estate speculators, oil and gas developers, banks and corporations.

"No one has a larger stake in ending the tax avoidance schemes used by those who seek to escape their fair share of government costs than the wage and salary earners who meet their full tax obligations with each paycheck."

Kirkland said the AFL-CIO will carefully review the President's entire tax package "with the goal of making constructive and practical suggestions that would assure that the system is as understandable and enforceable as possible, that tax expenditures are limited to those that clearly meet the tests of public interest and regional equity, and that the present abuses that place unfair burdens on working Americans are eliminated."

Reagan's tax package was billed as a tax simplification program which is supposed to be roughly neutral in its effect on tax revenues. It would raise corporate taxes by about $25 billion while lowering individual income taxes by a similar amount. However, the Administration's projections show an actual revenue loss of about $11 billion over the five-year 1986-90 period.

### Key provisions

The major provisions of the program that affect workers are:

- Consolidation of personal income tax rates into three rates—15 percent, 25 percent and 35 percent.
- An increase in the personal exemption from the $1,090 projected for next year to $2,000.
- An increase in the standard deduction to $2,900 for individuals, $3,600 for single heads of household and $4,000 for families. These represent increases from the current $2,480 for individuals and single heads of households and $3,670 for families.
- Elimination of the deduction for charitable contributions for taxpayers who use the standard deduction.
- Repeal of the second-earner deduction for married couples.
- Taxation as income of part of employer-paid health insurance premiums.

**Continued on Page 3**

## Victory for workers

# Wider toxic hazard rule ordered

Philadelphia—In a sweeping appellate court ruling, the Occupational Safety & Health Administration has been ordered to extend the protections of its hazard communication rule to all workers under OSHA jurisdiction. The court also said workers and their unions must have access to information on toxic substances that manufacturers claimed were trade secrets.

The AFL-CIO termed the decision by the 3rd U.S. Circuit Court of Appeals "a major victory for American workers." The federation noted that "the court agreed with the AFL-CIO that all workers, not just those in the manufacturing sector, should have the right to know the chemicals they are exposed to on the job."

The court told OSHA to develop a less restrictive trade secret definition. This means that "companies will no longer be able to hide behind trade secret claims to withhold chemical information from workers or their collective bargaining representatives," the federation pointed out.

A key issue of the case was the limitation of the federal rule's preemption of state laws to just the manufacturing sector. "The decision does not limit the state's right to regulate other jobsites where the OSHA standard does not apply, nor the state's right to issue protection for the general public," the AFL-CIO said.

### New opportunity

The federation expressed hope that OSHA will now do "what it should have done years ago—to issue a comprehensive federal standard that truly provides all workers the right to know" the toxic hazards they're exposed to on the job.

Petitioners for the court review included the AFL-CIO, Steelworkers, Public Citizen Litigation Group and the states of New York, Illinois, Connecticut, Massachusetts and New Jersey. The federation's general counsel, Laurence Gold, argued the case for the Steelworkers and the AFL-CIO.

Circuit Judge John J. Gibbons wrote the opinion supported by Chief Judge Clarkson S. Fisher of the U.S. District Court for New Jersey, and Judge James M. Kelly of the U.S. District Court for the Eastern District of Pennsylvania.

The federal hazard communication standard, issued in November 1983, is a watered down version of an earlier proposal. The court noted the most significant difference was the inclusion of a trade secret exception.

Judge Gobbons's opinion held that "there

**Continued on Page 4**

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6/1/85

# Senate panel urged to block line-item veto

The AFL-CIO expressed its "vigorous opposition" to a Senate bill that would give the President authority for a two-year period to veto individual appropriation items.

Federation President Lane Kirkland spelled out labor's stand against the so-called line-item veto in a letter to Sen. Charles McC. Mathias (R-Md.), chairman of the Senate Rules & Administration Committee, which recently completed hearings on the proposed legislation.

The AFL-CIO Executive Council at its recent spring meeting attacked the line-item veto concept as "unsound," Kirkland noted, and charged that it would permit the President to use the veto capriciously as "a weapon of political punishment" or to eliminate provisions he considers "ideologically distasteful." The council specifically condemned proposals for a constitutional amendment to grant the President line-item veto authority.

The measure before the Senate committee is worse, Kirkland wrote Mathias, because it "disparages" the Constitution by seeking to avoid the amendment process and gain the line-item veto by "sleight-of-hand." Under its terms, each item of an appropriation bill would be enrolled as if enacted as a separate piece of legislation, even where all items had been considered by Congress in a single bill.

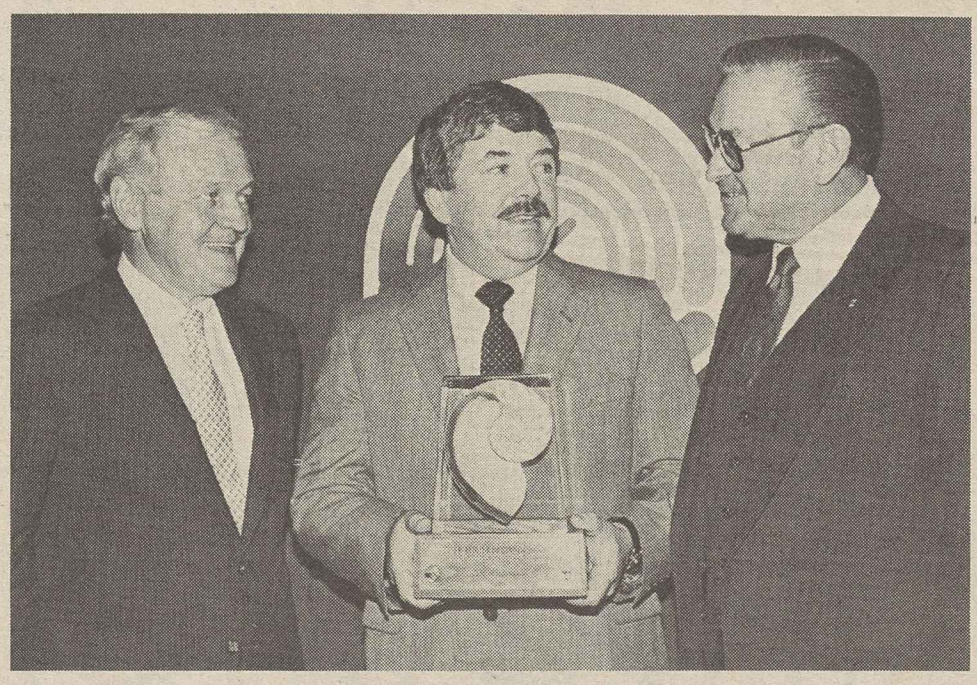
Kirkland called this "a transparent attempt to make a change of constitutional magnitude in our system of government without following the procedures established by the framers for amending the Constitution."

He pointed out that the line-item veto cannot be justified as a budget-balancing measure, because discretionary spending represents only a relatively small part of the overall budget. He said budget reductions could be equally well achieved through existing processes.

### Transfer of power

Kirkland said the real impact of the measure would be a transfer of power from Congress to the President. Under current law, the President needs approval of both Houses of Congress to rescind a specific appropriation item. With the line-item veto power that would be vested in him by the Senate measure, the President could reject any individual appropriation item and it would take a two-thirds vote in each House to override that action.

"We know of no justification for shifting such additional power from the Congress to the Executive," Kirkland wrote Mathias. "Certainly, recent experience demonstrates that the President has ample ability to influence—indeed determine—both the overall fiscal policy of the federal government and the budgetary priorities and direction of the government."



## For community service

United Way's national award for distinguished public service is presented to Thomas D. Kiddy, center, by President William Wynn of the Food & Commercial Workers and Metal Trades Dept. President Paul Burnsky, right. Kiddy was honored in Los Angeles for his work with the AFL-CIO Union Counseling program. He is president of Plumbers & Pipefitters Local 620 and heads the New London, Conn., Metal Trades Council. The award is the United Way's highest labor honor and commemorates the late CWA President Joseph A. Beirne, who championed voluntarism and community service.

# Hillman citations presented for journalistic achievement

New York — The annual Sidney Hillman Foundation Awards for excellence in communications were presented by Clothing & Textile Workers President Murray H. Finley at a luncheon here.

The annual awards are a memorial to Sidney Hillman, first president of the Amalgamated Clothing Workers of America. They recognize outstanding journalistic achievement which advances the human condition and social responsibility among print and electronic journalists, producers, authors and commentators, as well as programs and publications.

This year's winners are:

- The Jackson Daily News and the Clarion Ledger in Jackson, Miss., for a report on the civil rights struggles during the summer of 1964 in Mississippi and their impact a generation later.
- KMOL-TV in San Antonio, Tex., for its report, "Valley in the Shadow of Life," a gripping account of the struggles of the small towns along the Mexican-American border.
- KMOX radio in St. Louis for an in-depth series on problems facing America's children.
- Jacqueline Sharkey, an assistant journalism professor at the University of Arizona, for an article in Common Cause on the build-up of American military bases in Honduras.
- Strobe Talbott, Washington bureau chief for Time magazine, for his book, Deadly Gambits, on the effect of bureaucratic rivalries on U.S. security policies.

A special award was given to Harrison E. Salisbury for his article, "The Strange Correspondence of Morris Ernst and J. Edgar Hoover, 1939-1964," in The Nation magazine. As a judge for the competition, Salisbury was ineligible for a regular award.

Other judges were Sara Fritz, Washington correspondent for the Los Angeles Times, and Edward P. Morgan, journalist and broadcaster.

# Union-industry group favors court review on cargo quotas

Maritime unions and ship owners called on Congress to hold off considering any changes in legislation concerning shipment of certain American farm exports until court proceedings regarding the matter are completed.

They also urged Agriculture Sec. John Block to reinstate a suspended export program pending a court ruling.

The maritime coalition won a major victory in February when a federal judge ruled that the government's $1.5-billion Blended Credit program must abide by the nation's cargo preference laws. The ruling meant that at least 50 percent of the cargo generated under the program must sail on U.S.-flag ships.

Goods shipped under the Blended Credit program are financed through a combination of interest-free government credit and government-guaranteed private loans.

After the February decision, Block suspended Blended Credit shipments. Some farm state lawmakers then introduced legislation to eliminate the cargo preference requirement.

"We are confident that the appeals court will uphold the district court opinion that Congress intended such government-assisted shipments to be subject to the cargo preference laws," the coalition said.

The coalition includes the AFL-CIO Maritime Trades and Metal Trades Departments, Seafarers, National Maritime Union, Marine Engineers and the Masters, Mates & Pilots.

# *College youths staff HERE drive*

The Hotel Employees & Restaurant Employees kicked off an ambitious organizing drive concentrating on four key metropolitan areas—Boston, Chicago, Washington and Orange County, Calif.—and staffed largely by teams of young, college-educated trainees.

HERE Organizing Director Vincent J. Sirabella told reporters at a Washington news conference that the campaign will build on the experiences gained in a successful organizing effort in New Haven, Conn. Since that program was initiated in 1973, HERE has posted a net gain of about 5,100 members in the New Haven area, including some 2,600 white-collar workers at Yale University, he reported.

He noted that HERE President Edward T. Hanley had pledged to expand the effort to the national scene if the New Haven experiment proved successful. Mini-versions already are in operation in Nevada and California.

"Based on our experiences in Connecticut," Sirabella said, "it is our considered judgment that unorganized workers will respond to dedicated, intelligent, hard-working and well-trained organizers in whom they can have trust and confidence."

He said the union actively recruited such organizers among recent college graduates who showed special concern about the exploitation of workers in the hotel and restaurant industries. They responded to newspaper classified ads like the following:

"Labor Organizer Trainee — College grad, good verbal & writing skills. Long hours & hard work, modest wages. Must be mobile. One who seeks a career in the labor movement. Future growth depends on you."

### 10-member teams

Sirabella said four teams of 10 organizers each will operate in the target areas. Each group will be a blend of experienced organizers from the New Haven, Nevada and California campaigns and recently recruited trainees.

The teams are now completing intensive training before starting their projects June 10. They recently met with AFL-CIO President Lane Kirkland, who praised the HERE program and the spirit the young organizers are bringing to their assignments.

The trainees were selected from among some 500 applicants. Most are recent graduates of such colleges and universities as Yale, Georgetown, Howard, California, Minnesota, Maryland, and Mt. Holyoke. Several trainees and one project coordinator are rank-and-file members who have "demonstrated leadership capacity and have been active in their locals."

The newly hired organizers will be paid $300 a week, Sirabella said, and while no budget has been established, the first-year cost is estimated at "close to $2 million." He said the union has not set any numerical goals, but is committed to spend "whatever it takes to do the job." Hanley intends to duplicate the project in four other cities every two years, Sirabella reported.

"We are absolutely convinced that many workers want to be organized . . . and we think we can have national impact" in demonstrating the ability of unions to sign up new members, Sirabella declared.

# Pilots score union-busting bid by United

**Continued from Page 1**

over all other pilots when the strike ends. United allowed its scab pilots to "rebid" or apply for more favorable positions and aircraft during the strike. ALPA is sticking to its position that the regular seniority list remain intact.

The union also wants the pilots hired during the strike moved to the bottom of the seniority list.

ALPA is getting strong support from the Flight Attendants, whose members have refused to cross the picket lines. More than 90 percent of the Flight Attendants and 94 percent of the pilots have honored the picket lines.

A federal judge in Washington denied a request by the Machinists to release the union from a no-strike clause with United to allow IAM members to honor the ALPA picket lines. United has threatened to fire all IAM mechanics who do not report for work.

Over the last several months United trained 574 new pilots. When the ALPA members struck, United asked the new pilots to cross the picket lines. Only four accepted the offer.

United said it would not hire any of the 570 new pilots who are siding with the union. ALPA, as part of the back-to-work package, wants the new pilots protected from company retaliation.

"These people passed up the career opportunity of a lifetime to stick with the union, so we aren't going to turn our backs on them," the union said.

"For a company that claims it needs to control costs to stay competitive and has major expansion plans for after the strike, they are shooting themselves in the foot by throwing these 570 pilots on the street," ALPA said. "It will cost the company millions of dollars to get their pound of flesh."

ALPA is also seeking protection from retaliation for some 40 flight instructors who are honoring the picket lines.

## New editor announced by Marine Engineers

Stephen R. Chapman has been named editor of the American Marine Engineer, the monthly newspaper of the Marine Engineers. He succeeds Victor Rollo, who retired after 16 years as editor.

Chapman has been a writer for the Communications Workers and Machinists. Rollo, who also has edited the Italian edition of the AFL-CIO's Free Trade Union News, will continue as a consultant for various publications.

# Case comparisons show Reagan's Labor Board tilted against workers

Continued from Page 1

cent of cases decided for the employer by the Fanning Board in 1979-80 and the 29 percent for the employer by the Murphy Board, in 1975-76. All of the members of the Murphy Board were either appointed or reappointed by Republican presidents. Three of its members, in fact, had been or subsequently became management attorneys.

The AFL-CIO lawyers' group noted that the decision-making pattern of the NLRB did not change significantly during the two previous changes of administration.

"It is only since the Reagan appointees attained a majority that the ideological biases of the board members have resulted in a major shift in the board's rulings," the report stressed.

The pro-employer tilt in the case-by-case decisions that come before the NLRB was matched over the period of the Reagan majority by policy reversals that overturned established precedents—in virtually every case to the disadvantage of unions.

AFL-CIO Associate Gen. Counsel David M. Silberman observed in a recent speech that the findings of the study show the changes in board policy are not merely "a cyclical swing to the right" following four years of Democratic control.

"To the contrary, the current board is radically different from its predecessors, Republican and Democratic alike, in the anti-union bias it brings to even the run-of-the-mill cases," Silberman told a labor-management conference at Northern Kentucky University. He cited a comment of the House Subcommittee on Labor-Management Relations in its report last year that "these tendencies lead to results as devastating in their impact on the individual employees whose rights are at issue—and as potentially chilling in their effect on those employees' co-workers—as any of the more widely reported decisions overruling established board doctrines."

Silberman warned that in the long run the current board's approach will prove harmful to employers and the public at large as well as to workers and their unions. If union members and their leaders lose confidence in the NLRB and in the rule of law, he said, they will look to economic force as their only recourse.

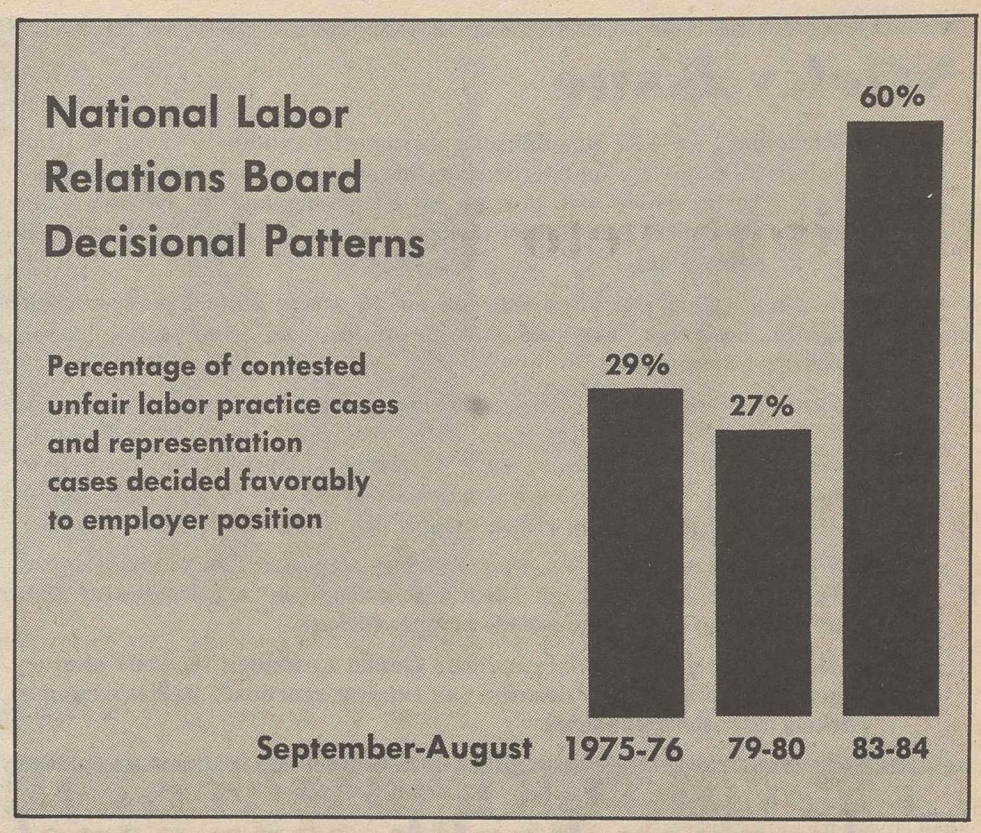
"Indeed," he noted, "most union lawyers already are advising their clients that it is futile to seek the aid of the NLRB and that they are better served by seeking other means of redress. This is precisely what the Wagner Act was designed to prevent."

The management tilt of the NLRB hasn't been confined to the board's policy-making side.

### Other posts

Dotson installed a former staff attorney for the anti-union National Right to Work organization as the NLRB's solicitor. And Reagan chose an attorney from a law firm representing management for the independent post of NLRB general counsel, who heads the agency's field staff and is responsible for prosecuting violations of labor law.

The byproduct of the NLRB's increasing affection for management has been a reluctance by unions to use the machinery of the NLRB to seek recognition or remedy unfair labor practices. Even before the Dotson Board, unions had found the National Labor Relations Act too weak to effectively protect workers seeking to organize and remedies available to even a well-intentioned labor board too mild to deter hostile employers.




## Johansen, Babson confirmed to fill NLRB vacancies

The Senate voted confirmation of Wilford Johansen and Marshall Babson as members of the National Labor Relations Board to fill two vacancies and bring the board to its full complement of five members.

When Johansen and Babson are sworn in, the board will reach full strength for the first time since Howard Jenkins, Jr., left in August 1983. Johansen, 56, will move into the seat vacated by Jenkins for a term expiring Aug. 27, 1988. Babson, 39, will succeed Don A. Zimmerman for a term ending Dec. 16, 1989.

Johansen has spent 27 years as an attorney with the labor board and since 1971 has been a regional director based in Los Angeles. Babson's only experience has been as a management attorney and, for that reason, his nomination was sharply criticized by the AFL-CIO. Two other NLRB members—Chairman Donald Dotson and Patricia Diaz Dennis—also were management attorneys before joining the board. The remaining member, Robert Hunter, was chief counsel of the Senate Labor & Human Resources Committee under its current chairman, Sen. Orrin Hatch (R-Utah).

## Wynn prods business leaders on need to respect labor law

President William H. Wynn of the Food & Commercial Workers called on the leaders of American industry to help "change the current mindset in the business community that cracking down on violators of workers' rights is being a 'traitor' to business."

Wynn, an AFL-CIO vice president, issued the challenge in an address to the Labor Relations Committee of the National Association of Manufacturers.

"There are thousands of businesses—probably still a majority—that respect the law and the rights of their workers," Wynn said. "But they know—and I as a trade unionist know—that the only effective penalties for labor law violators are those administered by the marketplace."

He warned that respect for the law and the National Labor Relations Board that administers it is "breaking down" at a time that "cries out for improved labor-management cooperation and understanding."

"Workers' rights are being violated daily," he charged. "Vindication of those rights is haphazard at best, and even that can take years. It doesn't surprise me that more and more companies are engaging in these practices. Competition is competition."

Wynn said his own union, the UFCW, is tackling the problem by avoiding NLRB procedures whenever possible. He said the union will not hesitate if necessary to settle disputes with employers "in the streets—with picket lines or with the economic guerrilla tactics commonly called corporate campaigns." He said the results of such tactics are "quicker and often better" than waiting for years for an NLRB ruling even longer for appeals.

"The beginning of the process to restore respect for the law," he said, "is a recognition that we cannot exist as an economically viable nation with labor and management in a constant state of warfare." What is needed, rather than a totally new law or no law at all, he said, is "respect for the current law and a commitment by both labor and management that it is not right for violators of that law to have a competitive advantage over those who abide by the law."

Failure to develop that respect, Wynn suggested, could result in labor becoming "increasingly bitter about a system that only pays lip service to its rights."

## Steelworkers salute Bruce Springsteen

Syracuse, N.Y.—The Steelworkers gave a big "thank you" to Bruce Springsteen as the rock star wrapped up his marathon U.S. tour at the 45,000-seat Carrier Dome here.

USWA District 4 Director Lou Thomas presented Springsteen with a plaque, a USWA hard hat bearing his name, and an honorary membership card in the union for his huge personal contributions to Steelworker food banks and assistance centers around the country and his pitches for audience donations during his concerts.

# *Tax reform proposals draw mixed reception*

Continued from Page 1

- Taxation of the full amount of unemployment compensation, workers' compensation and black lung benefits.
- Repeal of the deduction for state and local taxes.
- Limitations on the deduction of interest, except for mortgage interest on a principal residence.
- Repeal of the additional personal exemption for the blind and the elderly.

These and other changes in taxes on individual income will mean a net reduction in taxes for 58 percent of families, an increase for 21 percent and no change for 21 percent, according to the Administration's figures.

On the business side, the major elements of the program include repeal of the investment tax credit and a reduction in the maximum corporate rate to 33 percent, provisions that almost cancel each other out.

Among individuals, the major benefit would apply at both ends of the economic scale. The average tax reduction would be 36 percent for families with incomes below $10,000 and 23 percent for those in the $10-15,000 range. The reduction for families in the $15-20,000 range would be 14 percent and would continue to decline as income rose in the middle brackets. However, the average reduction would swing back up to 11 percent for families with incomes of $200,000 a year or more.

The average tax cut would be only 7 percent, however, across the broad $30-$50,000 range.

### Zero bracket raised

The increase in the zero bracket to $2,900 for individuals and $4,000 for families along with the increase in the personal exemption to $2,000 are the key elements in reducing the taxes of those in the lower income brackets.

On the other hand, the taxation of health insurance premiums would have the effect of increasing a family's taxable income by $300 a year. And lower-income families (below $18,000 a year) that suffered unemployment also would be substantially affected by the taxation of unemployment insurance.

The AFL-CIO has registered its strong opposition to any move to tax workers' life support benefits provided through their employment, such as health insurance. The federation has been pressing a major grass-roots campaign and petition drive since the first of the year to make Congress aware of workers' views on the issue, which has been a central topic at this year's regional AFL-CIO conferences.

In the middle-income brackets, despite Reagan's pro-family claims for his proposals, adverse effects would be felt by many families in the $25-$30,000 range who are buying homes and thus would tend to itemize deductions for state and local taxes.

An AFL-CIO analysis notes that at all levels of income within the broad $25-$50,000 range, two-earner families that itemize deductions would tend to pay more in taxes than they do now. This is true even for families with two children who would thus be entitled to four of the higher exemptions.

If only one spouse works, a married couple that itemizes its tax return generally would receive a tax cut under the Reagan plan. However, couples with no children who live in high-tax states would tend to pay more in taxes than they do now. With two children, the increased personal exemption would give the one-earner family a tax cut even in high tax states.

Reagan's plan also changes the current child care credit to a deduction, and this could mean a tax increase for single heads of household at lower income levels.

### Hearings under way

The President's program drew mixed reviews on Capitol Hill, and the praise and criticism was not necessarily divided along party lines.

House Ways & Means Committee Chairman Dan Rostenkowski (D-Ill.) opened hearings on the plan May 30, two days after Reagan outlined its main features in a televised address to the nation. Rostenkowski called the President's proposals "a starting point," but he acknowledged that it may not be possible to enact any major tax legislation before the current session of Congress runs out.

# Sticky issue

**Richmond, Va.—If Republican gubernatorial candidate Wyatt B. Durrette rejects campaign bumper stickers because they carry the union label, then maybe he should also give up his telephones and his car, suggested Virginia AFL-CIO Sec.-Treas. Daniel LeBlanc. "They're union-made, too," he pointed out.**

**LeBlanc called Durrette's decision not to accept 20,000 bumper stickers with the union "bug" an example of the "old labor-baiting, labor-bashing syndrome."**

**Durrette refused the bumper stickers, printed in Missouri, saying he would not accept products from states that don't have "right-to-work" laws. Missouri permits union shop agreements, Durrette said in a news release. "I have always defended the rights of citizens to join labor unions in the private sector or to refuse to join unions, if that is their wish."**

**Don Harrison, Durrette's press secretary, reported that union members have barraged the campaign office with calls since they learned of Durrette's rejection of the union-made bumper stickers.**

**Democratic gubernatorial candidate Gerald L. Baliles, the state attorney general, called Durrette's decision "an extreme reaction." Baliles's bumper stickers carry the union label.**

# Federation health care panel spells out coverage priorities

Labor's agenda for quality health care coverage puts high priority on meeting the challenge of containing costs and preserving union-won benefits for workers and their families.

The long-range plan was drafted by the AFL-CIO Ad Hoc Committee on Health Care and outlined at a press briefing by Federation Vice President John J. Sweeney.

Sweeney said an immediate priority will be helping educate unions on cost containment issues, surveying health care coverage and expenses in union contracts, developing model cost containment legislation and continuing cooperation with management in controlling health care expenditures.

### 'New crisis'

Today, the problem of rising costs in the health system is generating a "new crisis in coverage and access," Sweeney said.

He pointed out that labor has taken the initiative in developing health care cost containment programs and has been active for some time in efforts to restrain unnecessary outlays for hospital and medical care.

Joining in the briefing were Director Bert Seidman and Assistant Director Karen Ignagni of the federation's Dept. of Occupational Safety, Health & Social Security.

The 11-member committee, comprising presidents of major industrial and service sector unions, was established in February by the Executive Council to coordinate labor's various health care activities and to spearhead the campaign to preserve the coverage built up in years of bargaining.

Over three decades, labor made steady progress toward "the goal of providing decent, affordable and accessible health care for all Americans," Sweeney said. Since 1980, however, "labor's campaign for quality care has been more a damage control effort than anything else."

"Labor's worst fears about the health care costs that America could not muster the will to control in the '70s have been coming true in the '80s," Sweeney said. Employers have been demanding workers either pick up a significant portion of the health insurance premiums or sacrifice coverage.

To combat employer attempts to shift the costs to workers, unions have been involved in innovative and successful initiatives at managing health care costs, Sweeney pointed out.

### Educational effort

Labor's educational effort is a key ingredient on the committee's agenda, Sweeney said. The federation's Dept. of Occupational Safety, Health & Social Security conducted its first health cost containment conference about 18 months ago. The department followed up with a union-wide conference at the George Meany Center for Labor Studies last October. The next session will be July 23-24 at the Meany Center and will focus on basic health care program design, administration and payment issues, bargaining techniques and financial analysis.

A comprehensive survey of health coverage and expenses among AFL-CIO unions will be conducted by Seidman's staff. Ignagni is developing the survey in cooperation with the federation's Dept. of Economic Research. Sweeney said the survey will provide "invaluable data for tracking and assessing health care coverage in the country."

### Model law

Development of model legislation aimed at controlling rising medical costs will be drafted for introduction in 1986 state legislative sessions.

The committee is exploring ways for unions to deliver their message on health costs and coverage. The Labor Institute of Public Affairs is also working on a video tape to dramatize efforts for unions and employers to protect health benefits, Sweeney said.

## Dale Good retires, assistant to Kirkland

Dale E. Good, an assistant to AFL-CIO President Lane Kirkland for international affairs, retired May 24.

Good, 65, joined the federation in 1980 after leaving the State Dept., where he served as coordinator of international labor affairs and as a labor attache in the Foreign Service.

Before joining the government in the early 1950s, Good was an international representative with the Allied Industrial Workers.

## OSHA chief quits

# Unions shed no tears on Rowland farewell

By Arlee C. Green

Robert A. Rowland's resignation as the head of the Occupational Safety & Health Administration was welcomed by organized labor as an opportunity to put the agency back on track toward fulfilling its mandate to regulate workplace hazards.

The AFL-CIO expressed hope that the Reagan Administration "will move quickly to appoint a competent health and safety professional to head the agency."

Director Bert Seidman of the Dept. of Occupational Safety, Health & Social Security said, "We're very pleased" by the resignation. "We think what he's been doing in his time at OSHA has been harmful to workers and we're hopeful that whoever replaces him will want to administer the program in a way that will restore its effectiveness."

In announcing his resignation that takes effect July 1, Rowland echoed the statement of his predecessor Thorne Auchter, Jr., who quit last year, in saying that his "mission has been accomplished."

Labor Sec. William E. Brock noted that Rowland "faced difficult and controversial issues while maintaining his commitment with integrity and diligence. This Administration owes him a debt of gratitude for his unflagging commitment and tireless efforts on behalf of President Reagan."

In his 10 months as head of OSHA, Rowland came under repeated criticism for his decisions to weaken current standards or not to regulate at all.

### Decision assailed

In April, his decision not to issue a federal standard requiring that farm workers be provided toilets and water for drinking and washing was assailed by Congress, labor and minority groups.

In mid-May, Rowland again came under fire for OSHA's collaboration with officials of a giant shipbuilding firm in Newport News, Va., aimed at scuttling 70 percent of safety rules covering shipyards. Rowland holds up to $50,000 stock in Tenneco, Inc., parent firm of the shipyard and agribusiness operations that employ numerous farm workers.

Rowland, who was chairman of the Occupational Safety & Health Review Commission prior to heading OSHA, said he "enjoyed my four years of service to President Reagan."

A millionaire lawyer and a key fundraiser in Reagan's 1980 campaign, Rowland was given a presidential recess appointment to head OSHA last July, but was never confirmed by the Senate. His appointment was challenged by unions because he lacked a health and safety background and for his poor record on rulings while heading OSHRC. He voted against upholding OSHA citations in 84 percent of the cases he reviewed between 1981 and 1984.

Under Rowland and Auchter, OSHA has issued only one new health standard regulating hazardous substances in the workplace in the past four years. And according to a recent report of the Office of Technology Assessment, OSHA has had little, if any, effect on reducing occupational injuries. The OTA attributed recent declines in injuries and deaths to the economic recession.

In early May, Rowland was criticized by Rep. Gerry Sikorski (D-Minn.) for alleged personnel practices at the agency which had helped foster an atmosphere of "fear and intimidation." Sikorski, chairman of the House Post Office & Civil Service Subcommittee on Investigations, questioned Rowland about a meeting at which agency managers were urged to "kick ass and take names" in order to rid the agency of staff members who took issue with OSHA's retreat on enforcement of regulations.

### Ethics report

Just hours after Rowland's resignation was announced, the Office of Government Ethics issued its review of conflict-of-interest charges that had been leveled against the OSHA head for his participation in decisions which may have softened rules affecting companies in which he has extensive stock holdings.

Rep. Augustus F. Hawkins (D-Calif.), chairman of the House Education & Labor Committee, had requested the OGE's opinion based on conflict-of-interest allegations.

OGE Director David H. Martin wrote to Hawkins that Rowland had acted within the law in participating in the rulemaking proceedings on ethylene oxide, formaldehyde and benzene while having a financial interest in Tenneco, Exxon, Eastman Kodak and Monsanto.

Martin noted that Rowland—by reason of the conflict-of-interest waiver that former Labor Sec. Raymond Donovan had granted him—did not have to excuse himself from rulemaking actions.

## Women's Defense Fund cites O'Grady, Edelman

Jane O'Grady, an AFL-CIO legislative representative, and Marian Wright Edelman, president of the Children's Defense Fund, are the 1985 recipients of the Advancement of the Rights of Women award from the Women's Legal Defense Fund.

O'Grady was cited for her efforts on equal employment opportunity, day care, pension reform and the Equal Rights Amendment.

Edelman was honored for her leadership role in child care programs, teenage pregnancy care and exposing the impact of budget cuts on children's welfare.

# *Wider toxic hazard rule ordered*

**Continued from Page 1**

is no legal justification for affording broader trade secret protection in the hazard communication standard than state law affords."

The court noted that OSHA's initial protections for trade secrets were expanded after chemical manufacturers pressed for wider exemptions in the name of trade secrets. The definition grew to include not only the chemical formula or processes, but also chemical identity, including those that can be determined by sophisticated chemical analysis, or "reverse engineering."

Directing the agency to develop a new definition of trade secrets, the court specified that the "definition shall not include chemical identity information that is readily discoverable through reverse engineering."

In ordering OSHA to adopt a rule permitting access to trade secret information by workers and their unions, Judge Gibbons cited the USWA's argument that non-health professional workers have in a number of instances used chemical identity information to improve workplace safety and that they should be permitted access to information about the chemicals used in the workplace. OSHA had limited access to trade secret information to health professionals.

### Similar hazards

In addressing the limitation of coverage to just the manufacturing sector, the court pointed out that "workers in sectors other than manufacturing are exposed to the hazards associated with the use of toxic materials or other harmful physical agents." It noted that no statement was given on why it was not feasible to require that all other workers be given the same protections as must be given to those workers in the manufacturing sector.

Arguments by the Labor Dept. that "the communication rule will 'trickle down' to uncovered workers because containers will be labeled" failed to persuade the court, which also "explicitly" rejected the agency's contention that its "priority-setting authority is unreviewable." The court held that it could review the department's determination of which industries would be covered by a standard.

A number of states have adopted more stringent right-to-know laws which the federal standard purported to preempt.

The states argued that the hazard communication rule is not a standard, but rather a regulation. Standards under the federal safety law are "explicitly preemptive," the court noted, while regulations would have to be reviewed under the Administrative Procedure Act. The court determined that the communication rule is a standard, but in doing so, said the Labor Dept.'s inclusion of preemption "appears to have been motivated at least in part by the desire to reduce the regulatory burden posed by multiple state laws."

# Economic sag confirmed by key indicators

A drop in the government's main economic forecasting barometer provided fresh evidence that the nation's economy continues to move at a sluggish pace.

The Commerce Dept. reported that the index of leading economic indicators—the gauge for anticipating performance of the economy in the coming months—declined two-tenths of 1 percent in April, the first actual downturn this year.

The report meshed with other data showing April orders for machine tools down 27 percent from a year ago and nonfarm productivity for the first quarter down 2.5 percent—about twice the estimated decline reported a month ago.

The drop in the leading indicators showed that a recent lowering of interest rates so far has had little impact on the economy.

Of the 10 components of the index, six were negative—orders for plant and equipment, money supply, vendor performance, average workweek, building permits, and net business formation. The four positive indicators were new orders for consumer goods and materials, change in prices of sensitive materials, stock prices and average weekly initial claims for unemployment compensation.

The report included upward revisions of the index for the previous two months. The February figure went from a rise of five-tenths of 1 percent to seven-tenths, and the March figure was changed from a decline of two-tenths of 1 percent to a gain of one-tenth.

### 34 percent plunge

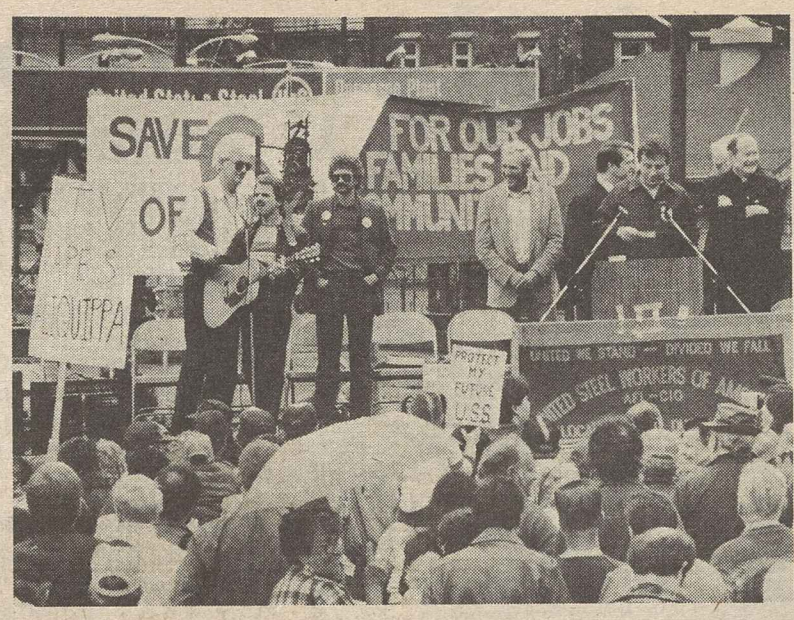
The April total of machine-tool orders at $183.5 million represented a drop of 34 percent from March, in addition to the over-the-year decline, the National Machine Tool Builders' Association reported. This pattern also was evident in other capital-goods industries. The Commerce Dept. reported that orders for all types of non-defense capital goods totaled $25.32 billion in April, a drop of 6.9 percent from the previous month and 2 percent below April 1984.

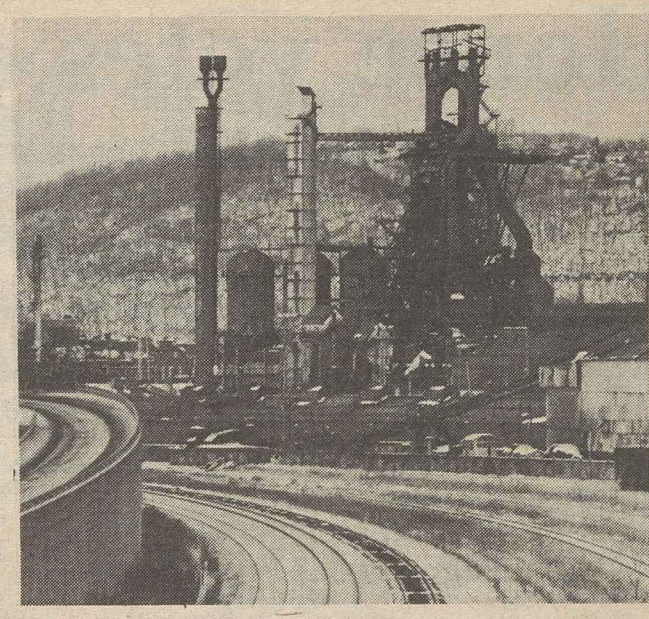
The revised report on productivity issued by the Labor Dept.'s Bureau of Labor Statistics showed output per worker hour in the private business sector alone declined at a seasonally adjusted annual rate of 3.5 percent instead of the 1.9 percent originally estimated. BLS reported that it was the first quarterly decline in productivity since the second quarter of 1982 during the Reagan recession.

Manufacturing was the only major sector to show a productivity increase, although the rise was smaller than first reported—six-tenths of 1 percent rather than 1.6 percent.

### CORRECTION

A referendum on Idaho's "right-to-work" law will be held as part of the November 1986 elections. Until then, unless a temporary injunction issued by a state judge is overturned, the anti-union law passed by the legislature earlier this year will not take effect. The AFL-CIO News erroneously reported that the referendum would to be held this November.



Steelworkers press to preserve giant blast furnace at Duquesne Works from demolition.

## U.S. Steel's sleeping giant

# Friends rally to rescue Dorothy Six

Pittsburgh — Chanting "Dorothy Six is going to rise again," some 1,000 Steelworkers and supporters rallied in the rain at the Duquesne Works in an effort to stave off U.S. Steel Corp.'s June 10 deadline to begin tearing down what was once the nation's largest and most productive blast furnace.

"If it takes blocking the mill with our bodies, we won't let them tear it lown," said Mike Stout, grievance committee chairman of USWA Local 1397 in Homestead, Pa., and a leader in the Tri-State Conference on Steel, which joined with the USWA in trying to attract investors to buy the mill.

The 21-year-old Dorothy Six could produce 5,000 tons of iron a day and in 1984 captured the company award for beating production goals. Now, Steelworkers are maintaining a round-the-clock vigil at the mill to prevent the company from beginning any demolition work on the 15-story-high blast furnace.

The rally was preceded by a parade that included marching bands, drill teams and fire companies.

U.S. Steel shut down the Duquesne Works last year, throwing 2,850 members of USWA Local 1256 out of their jobs. The company had planned to raze Dorothy Six to make way for an industrial plant. Demolition, originally scheduled 15 months ago, has been delayed three times.

### Show them how

Andrew V. "Lefty" Palm, director of USWA District 15, who has led the drive to reopen the Duquesne Works, noted the USWA has lobbied with the company in the past against imports. "If U.S. Steel and the rest of the industry are paying attention, we've shown them how they can hire more workers, produce more steel. Instead of knocking down mills, they'll be knocking down imports," Palm said.

If mills like the Duquesne Works are dismantled, the growth in the U.S. market for semifinished steel will be filled by imports, rally speakers warned.

"Ideally, U.S. Steel should get back into the business of making steel at Duquesne," Palm said. He noted that the decision of U.S. Steel to keep the plant closed will keep American workers out of jobs while adding to the nation's growing trade deficit.

Efforts to save the mill have gained increasing support from both Democrats and Republicans in Congress. Sen. John Heinz (R-Pa.) pledged to help the Steelworkers and the Tri-State Conference attract an investment group to buy the plant. Local 1256 President Mike Bilcsik welcomed Heinz's support at the rally and noted. "Here's Sen. Heinz—at the pinnacle of the Republican party—helping us out. The cause is picking up a lot of legitimacy."

### Congressional support

During a tour of the Monongahela Valley steelmaking sites a week before the rally, congressional representatives from Minnesota and Ohio decried the demise of the plant and noted that the demand for semi-finished steel will be on the increase for the rest of the century.

Rep. James Oberstar (D-Minn.) noted that the mines in his district provide the iron ore used in furnaces like Dorothy Six and "if you aren't making steel, we aren't making steel, we aren't mining iron ore." And Rep. Marcy Kaptur (D-Ohio) said that the warehouses and shipping yards in Toledo aren't as busy as they were when the steel mills were running strong. "What happens here affects us all," she said.

USWA President Lynn R. Williams stressed that the closing of the Duquesne mill "was precipitous and unwarranted, both economically and socially," and that its continued operation was vital to the region and to the country. A marketing study, commissioned by the union "reinforces our position," he said.

The market study showed that demand for semi-finished steel will be 11 to 15 million tons annually by 1989, up from 6.2 million tons in 1984.

A financial study, also commissioned by the USWA, is attempting to identify prospective buyers and investors to save Dorothy Six.

# *Unions score Defense Dept. on contracting-out policy*

The civilian employees of the Dept. of Defense provide vital support services as part of the nation's security and Congress should throttle the DOD's effort to eliminate civilian jobs and contract out work, government employee unions told a House Appropriations subcommittee.

Kenneth T. Blaylock, president of the Government Employees, testified on five personnel topics concerning DOD's budget and urged Congress to limit contracting out of work, provide adequate pay for civilian employees and end the agency's replacement of full-time workers with part-time and temporary employees.

Rodney A. Bower, president of the Professional & Technical Engineers, told the Subcommittee on Defense that the Navy's plan to reduce the workforce in its shipyards by more than 5,500 employees by the end of the year is a false economy that will reduce defense readiness and actually increase costs. He charged also that the Navy implemented the plan in a manner that has been "secretive and evasive."

Blaylock expressed alarm at the increase in the amount of DOD work being contracted out. He urged legislation to require an annual report on the extent and costs of contracting out, eliminate high annual cost increases based on contract modifications, insure competitive bidding and require a 15 percent cost savings differential for work contracted out by the agency.

Blaylock said the absence of effective budgetary controls on the size and cost of the contracted-out workforce "is an absolute scandal." The AFGE estimates that contracting out costs will be $40-$50 billion in fiscal 1986, roughly comparable to DOD's entire civilian payroll.

Blaylock also pointed to a growing inequity between pay raises given military personnel and those received by DOD's civilian workforce. If federal employees have to take a 5 percent pay cut next year while military personnel get 3 percent raises, that will increase the military's pay advantage to more than 40 percent since 1969, he noted.

Blaylock also cited a statement by the personnel manager for the Charleston, S.C., Naval Supply Center that the Navy will be converting every full-time vacancy into part-time jobs.

### Part-time reasoning

"We do not run a part-time defense effort, and you cannot run a full-time defense effort with part-time employees," Blaylock warned. The DOD's "rumblings" about closing some military bases are a scare tactic aimed at warding off budget cuts, he charged.

Bower, whose union represents some 11,000 engineering and technical workers in Navy shipyards, testified that the repair workload is "expected to increase" as the Navy reaches its goal of a 600-vessel fleet. The Navy's official policy has been that its shipyards do 70 percent of the repair work with the remainder contracted out to private shipyards.

That balance will shift, Bower said, even though Navy officials "have explicitly declared that their purpose in reducing the Navy shipyard work force is not to change the 70/30 balance."

Bower stressed that by law the union is entitled to be informed of substantive changes in conditions of employment and to present recommendations regarding the changes. He said the union has not been allowed to exercise its consultation rights and has "met resistance" in its efforts to discuss the changes with Navy officials.

# John Driscoll, Keith Henning to retire

Two long-time leaders of AFL-CIO state federations have announced plans to retire.

L. Keith Henning, executive secretary of the Wyoming AFL-CIO for the past 15 years, will retire July 1, and John Driscoll, president of the Connecticut AFL-CIO since 1961, will step down in September.

Henning, 56, was named executive secretary emeritus by the Wyoming AFL-CIO executive board, which appointed State Federation President John M. Faunce to succeed him. Faunce is president of Utility Workers Local 127 in Casper.

Henning entered the labor movement as a member of the Machinists while working on the Union Pacific Railroad. He became a fire fighter in 1956 and rose through the ranks of his IAFF local and the state organization before becoming an international representative and a district vice president. He was named executive secretary of the Wyoming AFL-CIO in 1970.

Driscoll, 74, in the course of a union career dating back to 1937, served as an officer or staff member of the Mine, Mill & Smelter Workers, the CIO, the Marine & Shipbuilding Workers and the Auto Workers. He was sub-regional director of the UAW when he was elected president of the Connecticut AFL-CIO in 1961. His successor will be elected at the state labor federation's convention next September.

# House votes on budget, corporate tax

*The AFL-CIO supported both the budget resolution the House adopted on May 23 and a corporate minimum tax amendment, which it rejected.*

**Column I** *shows the 283-142 defeat of the compromise amendment that endorsed the concept of a minimum tax. Right votes (R) for the amendment were cast by 141 Democrats and 1 Republican. Voting wrong were 177 Republicans and 106 Democrats.*

**Column II** *is the 258-170 passage of the budget resolution. Voting right were 234 Democrats and 24 Republicans. Wrong votes were cast by 155 Republicans and 15 Democrats.*

*Numbers show congressional districts. A—absent; PR—paired right; PW—paired wrong.*

| | I | II |
|---|---|---|
| **ALABAMA** | | |
| 1. Callahan (R) | W | W |
| 2. Dickinson (R) | W | W |
| 3. Nichols (D) | W | R |
| 4. Bevill (D) | W | R |
| 5. Flippo (D) | W | R |
| 6. Erdreich (D) | W | R |
| 7. Shelby (D) | W | R |
| **ALASKA** | | |
| AL Young (R) | W | W |
| **ARIZONA** | | |
| 1. McCain (R) | W | W |
| 2. Udall (D) | R | R |
| 3. Stump (R) | W | W |
| 4. Rudd (R) | W | W |
| 5. Kolbe (R) | W | W |
| **ARKANSAS** | | |
| 1. Alexander (D) | R | R |
| 2. Robinson (D) | R | R |
| 3. Hammerschmidt (R) | W | R |
| 4. Anthony (D) | W | R |
| **CALIFORNIA** | | |
| 1. Bosco (D) | W | R |
| 2. Chappie (R) | W | W |
| 3. Matsui (D) | R | R |
| 4. Fazio (D) | R | R |
| 5. Burton (D) | R | R |
| 6. Boxer (D) | R | R |
| 7. Miller (D) | W | R |
| 8. Dellums (D) | R | R |
| 9. Stark (D) | R | R |
| 10. Edwards (D) | R | R |
| 11. Lantos (D) | R | R |
| 12. Zschau (R) | W | W |
| 13. Mineta (D) | R | R |
| 14. Shumway (R) | W | W |
| 15. Coelho (D) | R | R |
| 16. Panetta (D) | W | R |
| 17. Pashayan (R) | W | W |
| 18. Lehman (D) | W | R |
| 19. Lagomarsino (R) | W | W |
| 20. Thomas (R) | W | W |
| 21. Fiedler (R) | W | W |
| 22. Moorhead (R) | W | W |
| 23. Beilenson (D) | W | R |
| 24. Waxman (D) | R | R |
| 25. Roybal (D) | R | R |
| 26. Berman (D) | R | R |
| 27. Levine (D) | R | R |
| 28. Dixon (D) | R | R |
| 29. Hawkins (D) | R | R |
| 30. Martinez (D) | R | R |
| 31. Dymally (D) | R | R |
| 32. Anderson (D) | R | R |
| 33. Dreier (R) | W | W |
| 34. Torres (D) | R | R |
| 35. Lewis (R) | W | W |
| 36. Brown (D) | R | R |
| 37. McCandless (R) | W | W |
| 38. Dornan (R) | W | W |
| 39. Dannemeyer (R) | W | W |
| 40. Badham (R) | W | W |
| 41. Lowery (R) | W | W |
| 42. Lungren (R) | W | W |
| 43. Packard (R) | W | W |
| 44. Bates (D) | W | R |
| 45. Hunter (R) | W | W |
| **COLORADO** | | |
| 1. Schroeder (D) | R | R |
| 2. Wirth (D) | R | R |
| 3. Strang (R) | W | W |
| 4. Brown (R) | W | W |
| 5. Kramer (R) | W | W |
| 6. Schaefer (R) | W | W |
| **CONNECTICUT** | | |
| 1. Kennelly (D) | W | R |
| 2. Gejdenson (D) | R | R |
| 3. Morrison (D) | R | R |
| 4. McKinney (R) | W | R |
| 5. Rowland (R) | W | R |
| 6. Johnson (R) | W | R |
| **DELAWARE** | | |
| AL Carper (D) | W | R |
| **FLORIDA** | | |
| 1. Hutto (D) | R | R |
| 2. Fuqua (D) | W | R |
| 3. Bennett (D) | R | R |
| 4. Chappell (D) | W | R |
| 5. McCollum (R) | W | W |
| 6. MacKay (D) | W | R |
| 7. Gibbons (D) | R | R |
| 8. Young (R) | W | W |
| 9. Bilirakis (R) | W | W |
| 10. Ireland (R) | W | W |
| 11. Nelson (D) | W | W |
| 12. Lewis (R) | W | W |
| 13. Mack (R) | W | W |
| 14. Mica (D) | W | R |
| 15. Shaw (R) | W | W |
| 16. Smith (D) | R | R |
| 17. Lehman (D) | R | R |
| 18. Pepper (D) | R | R |
| 19. Fascell (D) | R | R |
| **GEORGIA** | | |
| 1. Thomas (D) | W | R |
| 2. Hatcher (D) | W | R |
| 3. Ray (D) | W | W |
| 4. Swindall (R) | W | W |
| 5. Fowler (D) | W | R |
| 6. Gingrich (R) | W | W |
| 7. Darden (D) | W | R |
| 8. Rowland (D) | W | R |
| 9. Jenkins (D) | W | R |
| 10. Barnard (D) | W | R |
| **HAWAII** | | |
| 1. Heftel (D) | W | R |
| 2. Akaka (D) | R | R |
| **IDAHO** | | |
| 1. Craig (R) | W | R |
| 2. Stallings (D) | W | W |
| **ILLINOIS** | | |
| 1. Hayes (D) | R | R |
| 2. Savage (D) | R | R |
| 3. Russo (D) | R | R |
| 4. O'Brien (R) | W | W |
| 5. Lipinski (D) | R | R |
| 6. Hyde (R) | A | A |
| 7. Collins (D) | R | R |
| 8. Rostenkowski (D) | R | R |
| 9. Yates (D) | R | R |
| 10. Porter (R) | W | W |
| 11. Annunzio (D) | R | R |
| 12. Crane, Philip (R) | W | W |
| 13. Fawell (R) | W | W |
| 14. Grotberg (R) | W | W |
| 15. Madigan (R) | W | W |
| 16. Martin (R) | W | W |
| 17. Evans (D) | R | R |
| 18. Michel (R) | W | W |
| 19. Bruce (D) | W | R |
| 20. Durbin (D) | W | R |
| 21. Price (D) | R | R |
| 22. Gray (D) | R | R |
| **INDIANA** | | |
| 1. Visclosky (D) | W | R |
| 2. Sharp (D) | W | R |
| 3. Hiler (R) | W | W |
| 4. Coats (R) | W | W |
| 5. Hillis (R) | W | W |
| 6. Burton (R) | W | W |
| 7. Myers (R) | W | W |
| 8. McCloskey (D) | W | R |
| 9. Hamilton (D) | W | R |
| 10. Jacobs (D) | W | R |
| **IOWA** | | |
| 1. Leach (R) | W | W |
| 2. Tauke (R) | W | W |
| 3. Evans (R) | W | W |
| 4. Smith (D) | W | R |
| 5. Lightfoot (R) | W | W |
| 6. Bedell (D) | R | R |
| **KANSAS** | | |
| 1. Roberts (R) | W | W |
| 2. Slattery (D) | W | R |
| 3. Meyers (R) | W | R |
| 4. Glickman (D) | W | R |
| 5. Whittaker (R) | W | W |
| **KENTUCKY** | | |
| 1. Hubbard (D) | R | R |
| 2. Natcher (D) | W | R |
| 3. Mazzoli (D) | W | R |
| 4. Snyder (R) | W | W |
| 5. Rogers (R) | W | R |
| 6. Hopkins (R) | W | W |
| 7. Perkins (D) | R | R |
| **LOUISIANA** | | |
| 1. Livingston (R) | W | W |
| 2. Boggs (D) | W | R |
| 3. Tauzin (D) | W | R |
| 4. Roemer (D) | W | W |
| 5. Huckaby (D) | W | R |
| 6. Moore (R) | W | R |
| 7. Breaux (D) | W | R |
| 8. Long (D) | R | R |
| **MAINE** | | |
| 1. McKernan (R) | W | W |
| 2. Snowe (R) | W | W |
| **MARYLAND** | | |
| 1. Dyson (D) | W | R |
| 2. Bentley (R) | W | W |
| 3. Mikulski (D) | R | R |
| 4. Holt (R) | W | W |
| 5. Hoyer (D) | R | R |
| 6. Byron (D) | W | R |
| 7. Mitchell (D) | R | R |
| 8. Barnes (D) | R | R |
| **MASSACHUSETTS** | | |
| 1. Conte (R) | R | R |
| 2. Boland (D) | W | R |
| 3. Early (D) | R | R |
| 4. Frank (D) | R | R |
| 5. Atkins (D) | R | R |
| 6. Mavroules (D) | R | R |
| 7. Markey (D) | R | R |
| 8. O'Neill (D) | Speaker | |
| 9. Moakley (D) | R | R |
| 10. Studds (D) | R | R |
| 11. Donnelly (D) | R | R |
| **MICHIGAN** | | |
| 1. Conyers (D) | R | W |
| 2. Pursell (R) | W | W |
| 3. Wolpe (D) | R | R |
| 4. Siljander (R) | W | W |
| 5. Henry (R) | W | W |
| 6. Carr (D) | W | W |
| 7. Kildee (D) | R | R |
| 8. Traxler (D) | R | R |
| 9. Vander Jagt (R) | W | W |
| 10. Schuette (R) | W | W |
| 11. Davis (R) | W | R |
| 12. Bonior (D) | W | R |
| 13. Crockett (D) | A | A |
| 14. Hertel (D) | W | R |
| 15. Ford (D) | R | R |
| 16. Dingell (D) | R | R |
| 17. Levin (D) | R | R |
| 18. Broomfield (R) | W | W |
| **MINNESOTA** | | |
| 1. Penny (D) | W | W |
| 2. Weber (R) | W | W |
| 3. Frenzel (R) | W | W |
| 4. Vento (D) | R | R |
| 5. Sabo (D) | R | R |
| 6. Sikorski (D) | W | R |
| 7. Stangeland (R) | W | W |
| 8. Oberstar (D) | R | R |
| **MISSISSIPPI** | | |
| 1. Whitten (D) | W | R |
| 2. Franklin (R) | W | W |
| 3. Montgomery (D) | W | R |
| 4. Dowdy (D) | R | R |
| 5. Lott (R) | W | W |
| **MISSOURI** | | |
| 1. Clay (D) | R | R |
| 2. Young (D) | W | R |
| 3. Gephardt (D) | R | R |
| 4. Skelton (D) | W | R |
| 5. Wheat (D) | R | R |
| 6. Coleman (R) | W | W |
| 7. Taylor (R) | W | R |
| 8. Emerson (R) | W | R |
| 9. Volkmer (D) | W | R |
| **MONTANA** | | |
| 1. Williams (D) | R | R |
| 2. Marlenee (R) | W | W |
| **NEBRASKA** | | |
| 1. Bereuter (R) | W | W |
| 2. Daub (R) | W | W |
| 3. Smith (R) | W | W |
| **NEVADA** | | |
| 1. Reid (D) | W | R |
| 2. Vucanovich (R) | W | W |
| **NEW HAMPSHIRE** | | |
| 1. Smith (R) | W | W |
| 2. Gregg (R) | W | W |
| **NEW JERSEY** | | |
| 1. Florio (D) | R | R |
| 2. Hughes (D) | W | R |
| 3. Howard (D) | R | R |
| 4. Smith (R) | W | R |
| 5. Roukema (R) | W | W |
| 6. Dwyer (D) | R | R |
| 7. Rinaldo (R) | W | R |
| 8. Roe (D) | R | R |
| 9. Torricelli (D) | R | R |
| 10. Rodino (D) | R | R |
| 11. Gallo (R) | W | W |
| 12. Courter (R) | W | W |
| 13. Saxton (R) | W | W |
| 14. Guarini (D) | R | R |
| **NEW MEXICO** | | |
| 1. Lujan (R) | W | R |
| 2. Skeen (R) | W | W |
| 3. Richardson (D) | R | R |
| **NEW YORK** | | |
| 1. Carney (R) | W | W |
| 2. Downey (D) | R | R |
| 3. Mrazek (D) | W | R |
| 4. Lent (R) | W | W |
| 5. McGrath (R) | W | W |
| 6. Addabbo (D) | R | R |
| 7. Ackerman (D) | R | R |
| 8. Scheuer (D) | R | R |
| 9. Manton (D) | R | R |
| 10. Schumer (D) | R | R |
| 11. Towns (D) | R | R |
| 12. Owens (D) | R | R |
| 13. Solarz (D) | R | R |
| 14. Molinari (R) | W | W |
| 15. Green (R) | W | R |
| 16. Rangel (D) | R | R |
| 17. Weiss (D) | R | R |
| 18. Garcia (D) | R | R |
| 19. Biaggi (D) | R | R |
| 20. DioGuardi (R) | W | W |
| 21. Fish (R) | A | A |
| 22. Gilman (R) | W | W |
| 23. Stratton (D) | W | R |
| 24. Solomon (R) | W | W |
| 25. Boehlert (R) | W | W |
| 26. Martin (R) | W | W |
| 27. Wortley (R) | W | W |
| 28. McHugh (D) | R | R |
| 29. Horton (R) | W | R |
| 30. Eckers (R) | W | W |
| 31. Kemp (R) | W | W |
| 32. LaFalce (D) | R | R |
| 33. Nowak (D) | R | R |
| 34. Lundine (D) | R | R |
| **NORTH CAROLINA** | | |
| 1. Jones (D) | R | R |
| 2. Valentine (D) | W | R |
| 3. Whitley (D) | W | R |
| 4. Cobey (R) | W | W |
| 5. Neal (D) | W | R |
| 6. Coble (R) | W | W |
| 7. Rose (D) | W | R |
| 8. Hefner (D) | W | R |
| 9. McMillan (R) | W | W |
| 10. Broyhill (R) | W | R |
| 11. Hendon (R) | W | W |
| **NORTH DAKOTA** | | |
| AL Dorgan (D) | R | R |
| **OHIO** | | |
| 1. Luken (D) | W | R |
| 2. Gradison (R) | A | A |
| 3. Hall (D) | W | R |
| 4. Oxley (R) | W | W |
| 5. Latta (R) | W | W |
| 6. McEwen (R) | W | W |
| 7. DeWine (R) | W | W |
| 8. Kindness (R) | W | W |
| 9. Kaptur (D) | A | R |
| 10. Miller (R) | W | W |
| 11. Eckart (D) | W | R |
| 12. Kasich (R) | W | R |
| 13. Pease (D) | R | R |
| 14. Seiberling (D) | A | A |
| 15. Wylie (R) | W | R |
| 16. Regula (R) | W | W |
| 17. Traficant (D) | R | R |
| 18. Applegate (D) | W | W |
| 19. Feighan (D) | W | R |
| 20. Oakar (D) | R | R |
| 21. Stokes (D) | R | R |
| **OKLAHOMA** | | |
| 1. Jones (D) | W | R |
| 2. Synar (D) | W | R |
| 3. Watkins (D) | R | R |
| 4. McCurdy (D) | W | R |
| 5. Edwards (R) | A | W |
| 6. English (D) | W | W |
| **OREGON** | | |
| 1. AuCoin (D) | W | R |
| 2. Smith, Robert (R) | W | W |
| 3. Wyden (D) | W | R |
| 4. Weaver (D) | R | R |
| 5. Smith, Denny (R) | W | W |
| **PENNSYLVANIA** | | |
| 1. Foglietta (D) | R | R |
| 2. Gray (D) | A | R |
| 3. Borski (D) | R | R |
| 4. Kolter (D) | W | W |
| 5. Schulze (R) | W | W |
| 6. Yatron (D) | W | W |
| 7. Edgar (D) | R | R |
| 8. Kostmayer (D) | W | R |
| 9. Shuster (R) | W | W |
| 10. McDade (R) | W | W |
| 11. Kanjorski (D) | W | W |
| 12. Murtha (D) | W | R |
| 13. Coughlin (R) | W | R |
| 14. Coyne (D) | R | R |
| 15. Ritter (R) | W | W |
| 16. Walker (R) | W | W |
| 17. Gekas (R) | W | W |
| 18. Walgren (D) | R | R |
| 19. Goodling (R) | W | W |
| 20. Gaydos (D) | W | W |
| 21. Ridge (R) | W | W |
| 22. Murphy (D) | W | R |
| 23. Clinger (R) | W | R |
| **RHODE ISLAND** | | |
| 1. St Germain (D) | R | R |
| 2. Schneider (R) | W | W |
| **SOUTH CAROLINA** | | |
| 1. Hartnett (R) | W | W |
| 2. Spence (R) | W | W |
| 3. Derrick (D) | W | R |
| 4. Campbell (R) | W | W |
| 5. Spratt (D) | W | R |
| 6. Tallon (D) | W | R |
| **SOUTH DAKOTA** | | |
| AL Daschle (D) | W | R |
| **TENNESSEE** | | |
| 1. Quillen (R) | W | R |
| 2. Duncan (R) | W | R |
| 3. Lloyd (D) | R | R |
| 4. Cooper (D) | R | R |
| 5. Boner (D) | R | R |
| 6. Gordon (D) | R | R |
| 7. Sundquist (R) | W | W |
| 8. Jones (D) | R | R |
| 9. Ford (D) | R | R |
| **TEXAS** | | |
| 1. Hall, Sam (D) | A | A |
| 2. Wilson (D) | R | R |
| 3. Bartlett (R) | W | W |
| 4. Hall, Ralph (D) | W | W |
| 5. Bryant (D) | R | R |
| 6. Barton (R) | W | W |
| 7. Archer (R) | W | W |
| 8. Fields (R) | W | W |
| 9. Brooks (D) | R | R |
| 10. Pickle (D) | R | R |
| 11. Leath (D) | W | R |
| 12. Wright (D) | R | R |
| 13. Boulter (R) | W | W |
| 14. Sweeney (R) | W | W |
| 15. de la Garza (D) | W | R |
| 16. Coleman (D) | W | R |
| 17. Stenholm (D) | W | R |
| 18. Leland (D) | R | R |
| 19. Combest (R) | W | W |
| 20. Gonzalez (D) | R | W |
| 21. Loeffler (R) | W | W |
| 22. DeLay (R) | W | W |
| 23. Bustamante (D) | R | R |
| 24. Frost (D) | W | R |
| 25. Andrews (D) | W | R |
| 26. Armey (R) | W | W |
| 27. Ortiz (D) | W | R |
| **UTAH** | | |
| 1. Hansen (R) | W | W |
| 2. Monson (R) | W | W |
| 3. Nielson (R) | W | W |
| **VERMONT** | | |
| AL Jeffords (R) | W | W |
| **VIRGINIA** | | |
| 1. Bateman (R) | W | W |
| 2. Whitehurst (R) | W | W |
| 3. Bliley (R) | W | W |
| 4. Sisisky (D) | W | R |
| 5. Daniel (D) | W | W |
| 6. Olin (D) | W | R |
| 7. Slaughter (R) | W | W |
| 8. Parris (R) | W | W |
| 9. Boucher (D) | W | R |
| 10. Wolf (R) | W | W |
| **WASHINGTON** | | |
| 1. Miller (R) | W | W |
| 2. Swift (D) | W | R |
| 3. Bonker (D) | W | R |
| 4. Morrison (R) | W | R |
| 5. Foley (D) | R | R |
| 6. Dicks (D) | R | R |
| 7. Lowry (D) | W | R |
| 8. Chandler (R) | W | W |
| **WEST VIRGINIA** | | |
| 1. Mollohan (D) | R | R |
| 2. Staggers (D) | W | R |
| 3. Wise (D) | R | R |
| 4. Rahall (D) | R | R |
| **WISCONSIN** | | |
| 1. Aspin (D) | R | R |
| 2. Kastenmeier (D) | R | R |
| 3. Gunderson (R) | W | W |
| 4. Kleczka (D) | R | R |
| 5. Moody (D) | R | R |
| 6. Petri (R) | W | W |
| 7. Obey (D) | R | R |
| 8. Roth (R) | W | W |
| 9. Sensenbrenner (R) | W | W |
| **WYOMING** | | |
| AL Cheney (R) | W | W |

# EDITORIALS

## Filling the Gap at OSHA

WITH THE DEPARTURE of Robert A. Rowland from his post as interim director of the Occupational Safety & Health Administration, Labor Sec. William Brock has an opportunity to do a great service to the working men and women of America.

Rowland was named last July to head OSHA after the original Reagan appointee to the job, Thorne Auchter, Jr., resigned to take a job with a Kansas City company. His new employer had benefited from reduced fines for safety violations during Auchter's term.

The AFL-CIO opposed Rowland's nomination for the clear, sound reason that his service on the Occupational Safety & Health Review Commission had been dedicated to serving the interests and of employers. Like Auchter, Rowland believed the best way to exercise health and safety laws, rules and regulations was with little or no enforcement at all.

Previous administrations had appointed health experts to the OSHA posts. Under President Reagan, OSHA administrators, like most other federal "plum book" jobs, were turned over to ideologues seeking every opportunity to practice their reactionary theories of government.

THE AUCHTER-ROWLAND team was proud that in four years it had produced only one new health standard regulating dangerous substances handled by workers. The Reaganites blamed some inaction on the Office of Management & Budget, an arm of the White House, but it was clear that neither Auchter nor Rowland put workers' risks at the top of their priorities.

At one point, the American public was treated to the spectacle of one federal agency warning consumers about products that might carry traces of a dangerous preservative known as EDB, while OSHA still had not written a standard to protect workers who actually handle EDB every day.

Rowland was forced into the spotlight recently when he refused to draft a standard for basic sanitary conditions for migrant field workers, which a federal court had ordered OSHA to consider.

That obstinate posture brought environmentalists, minority representatives and members of Congress to rally around the position that organized labor had previously taken to criticize Rowland's concept of public service.

Now, the new Secretary of Labor has a chance to put OSHA back into the business of protecting workers.

Administering the federal safety and health codes in America's workplaces should not be subject to partisan politics or ideological experimentation.

OSHA jobs should be filled with professional health and safety experts—individuals who would direct and inspire the staff of the agency to carry out the law as it was intended to protect all Americans wherever they work.

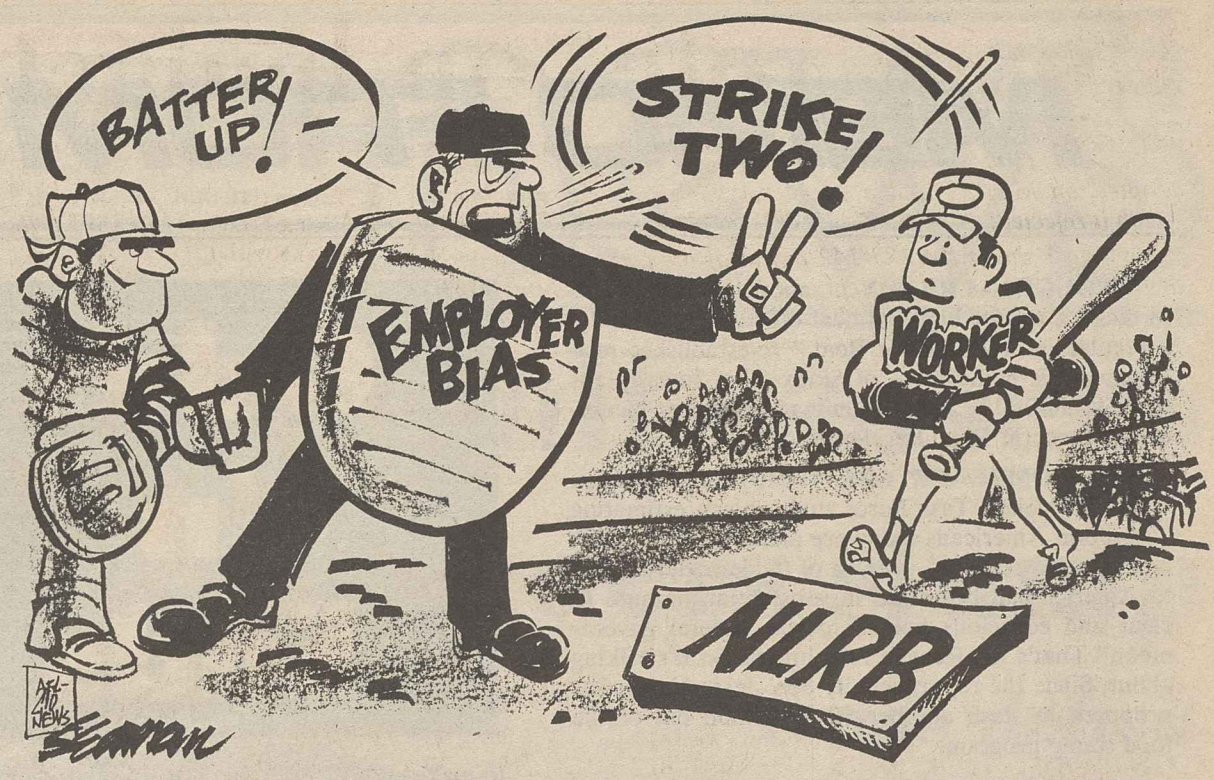
## For a Fair Tax

THE AFL-CIO has long worked to bring fairness to the federal tax code and we favor measures that genuinely fulfill that objective. We therefore welcome the President's tax initiative and will support those elements of his announced program that are consistent with that aim, such as those that remove additional numbers of the poor from the tax rolls.

We regret, however, that President Reagan has not, in his message, fulfilled the expectations he had previously raised. Parts of his announced program appear in fact to contradict the sweeping claims with which he launched it. . . .

The AFL-CIO will carefully review the President's entire tax package with the goal of making constructive and practical suggestions that would assure that the system is as understandable and enforceable as possible, that tax expenditures are limited to those that clearly meet the tests of the public interest and regional equity, and that the present abuses that place unfair burdens on working Americans are eliminated.

*—Statement by AFL-CIO President Kirkland, May 29, 1985.*




**Washington Window**

# Cut-rate youth wage bill no cure for job shortage

**By Press Associates, Inc.**

When the Fair Labor Standards Act of 1938 was enacted, it was described as "a floor under wages, a roof over hours and a break for kids."

It was the last major piece of New Deal legislation. Roosevelt's support in Congress was weakening. Labor wanted a strong law. Southern Democrats demanded a differential. The bill was being watered down, stirring Roosevelt's anger.

Roosevelt called on all his skills to get the bill passed. Sen. Claude Pepper was in a tough fight for renomination in Florida. FDR's aides got financial help for him in return for fighting speeches for the wage-hour law to influence votes in Congress. It worked. Pepper won big and a discharge petition got 218 signatures in the House in a matter of hours.

That was nearly a half-century ago and employers in search of cheap labor have been seeking a subminimum wage ever since.

The Reagan Administration's proposal for a Youth Employment Opportunity Wage (YEOW) of $2.50 an hour during the summer for teenagers 16 through 19 was unveiled at a Senate hearing.

Labor Sec. William E. Brock made the best case he could for a proposal that was shaped before he took over the Labor Dept.

### Breaking the cycle

The key to solving youth unemployment, Brock said, is to break the "no experience, no work" cycle. Training is part of the solution and perhaps the best-long-term answer, he said. But training is not now part of Reagan's cut-rate wage bill.

Brock was leading into praise for such programs as the Job Training Partnership Act, which targets over $2 billion to youth and is primarily controlled by business. His agency also provides $825 million to the states to fund 770,000 summer jobs for disadvantaged youth.

Brock cited estimates that the subminimum wage would create 400,000 new summer jobs. He said other nations have made use of youth differentials, including Canada and Sweden.

AFL-CIO Legislative Director Ray Denison told the Senate panel that labor opposes the subminimum because it discriminates against workers based on their age, it would not create jobs, it would displace older workers, and past wage subsidies and subminimums have not alleviated youth unemployment.

Denison noted that the current federal minimum wage of $3.35 an hour has become a subminimum wage. One measure is as a proportion of the average wage paid to production workers. In the 1950s and 1960s, the federal minimum was 50 to 60 percent of the average wage. In 1978, when the minimum was raised in steps, it was 48 percent; today, it is less than 40 percent.

### Working poor

Denison said there are 6 million workers now employed at or near the current minimum wage. These "working poor," women and black adults, would be threatened by the cheaper labor of teenagers at $2.50 an hour.

Brock's reference to the youth differential in other industrial nations is faulty staff work at the Labor Dept. In Scandinavia, for example, about 10 to 15 times as much money is put into training, retraining and job placement as in the United States, and in the context of a strong social welfare program. Exploiting ghetto youth at $2.50 an hour and laying them off on Oct. 1 is hardly a comparable approach.

Labor expressed support for a measure sponsored by Rep. Augustus Hawkins (D-Calif.), because it builds on tested programs which successfully placed low-income youths in part-time jobs during the school year and full-time jobs in the summer. Education and training are an integral part of the Hawkins bill.

Hawkins opposed the Reagan bill, saying, "Putting a shovel in teenagers' hands without giving them schoolbooks as well will not work." He said he would be willing to work with Brock if the Administration wants to get serious about cracking the teenage unemployment problem and agrees to combine work, education and training.

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# MEMO FROM COPE

**ENOUGH, ALREADY**. . . another actor decides to make a try for high political office. Fred Grandy, a regular on TV's "Love Boat," re-establishes residence in his home town of Sioux City, Iowa, plans to seek GOP U.S. House nomination against incumbent Democrat Rep. Berkley Bedell.

**BIG COMEBACK FOR HUNGER** in Reagan years, Physicians Task Force study shows, estimating 20 million Americans today are malnourished. Study charges "the recent . . . return of (wide-scale) hunger to America can be traced in substantial measure to clear and conscious policies of the federal government." That's the Reagan Administration it's talking about. Since the report, kindly Sen. Jesse Helms has proposed to slash another $3-$5 billion out of the food stamp program.

**HOW LONG** will we be taken in by scare rhetoric of Reagan Administration? Budget Director David Stockman recently said budget package worked out between Senate and White House is "last, best and only chance to contract the permanent structure of federal spending" enough to have "a fighting chance"

## Odds 'n Ends

to make ends meet in the '80s. In other words, either do it our way or suffer. The Administration refuses to face the possibility of an alternative to massive program cuts—i.e., a tax bill that is not merely "revenue-neutral" but revenue-producing from those sources that have ducked fair taxation for years, wealthy individuals and the corporations. A proper tax proposal could help recoup some of the billions in revenue kissed off in 1981 Reagan tax giveaway.

**CON JOB NEVER LETS UP** as nation is subjected to continuing barrage of comments that only way to reduce deficit is to slash services. The few in Congress willing to challenge this notion not yet able to muster enough vocal support from others to make public sit up and take notice. However, the House Democratic budget avoids meat-ax cuts of people-helping programs, doesn't harm social security recipients in any way—and obliges Pentagon to share some of sacrifice others must shoulder.

**REAGAN STILL GETS AWAY** with malarkey that pins deficit woes on all his predecessors but exempts his own programs of massive tax cuts for rich and corporations, huge defense build-up.

**DO CITIZENS REMEMBER** Reagan assurances for 20 years prior to his presidency and the years of it that he would be the one to cut back deficits? In his first televised address to nation as President, he said do what he asks and Shazzam, budget will be balanced in three years. He deplored Carter deficits of $50 billion-plus.

**WELL, NOW THEY'RE AT** $200 billion-plus, and the annual interest we have to pay on that debt is almost *triple* the entire deficit in Carter's last budget. Still, Reagan has all kinds of scapegoats—except his own programs. He keeps hitting government as a "magic money machine" that he claims Democrats (and his predecessors) kept turning on. He inveighs against the "puzzle palaces" in Washington, as if he—as head of government—has no relationship to them or they to him.

**HOW RICH UNDERWRITE RIGHT** shows up in report on foundation grants dealing with, among others, contributions by Richard Scaife, one of the Pittsburgh Mellon family. Scaife kicked in $1 million to Richard Nixon's 1972 campaign. In recent years, his family foundation, the Scaife Foundation, put up nearly $2.8 million for various rightist and conservative organizations. Among the contributions: $500,000 to Heritage Foundation, which was founded with funding from Coors brewing family; $440,000 to several ultra-conservative regional legal groups—Capital Legal Foundation, Mid-America Legal Foundation, Mid-Atlantic Legal Foundation, Pacific Legal Foundation; $65,000 to Intercollegiate Studies Institute, an old-line right-wing group working the nation's campuses.

**CAN YOU GUESS TOP THREE** contributors to federal candidates in 1983-84 election cycle among all political committees? Well, they're all trade PACs, and they were: Realtors PAC gave $2,429,552 to federal candidates; American Medical Association PAC gave $1,839,464; Home Builders PAC gave $1,625,539. The top *money-raiser* by a huge margin was National Conservative PAC with $19,514,822. The bulk of that was spent in actually raising money and in "independent expenditures" to boost the Reagan re-election campaign.

## Messy for Jesse

**A $10 million suit has been filed against Sen. Jesse Helms and his campaign committee. Plaintiff is Steve Cram & Associates, a Virginia-based direct mail house which claims Helms owes it $83,000 for fund-raising work done for Helms's successful 1984 re-election campaign.**

**The suit charges hanky-panky by the Helms campaign in allegedly diverting for other purposes some proceeds from mailings that were due the mailer, Cram. It is messy in that not only Helms, but two of his associates and a front for his campaign committee are named in the suit.**

**Whatever the merits, $83,000 ought to be peanuts for the North Carolina Republican. His '84 campaign raised $16.5 million.**

### *Seeks 100,000 Conversions*

## GOP Goes Among the Heathen

The Republican Party has launched a 100-day test program in four states to convert 100,000 registered lost-soul Democrats to the true faith.

The target states are Florida, Pennsylvania, North Carolina and Louisiana. The party has set up a $500,000 fund to finance the program, which aims at creating registration switches of 45,000 Democrats in Florida, 25,000 in Louisiana and 15,000 each in Pennsylvania and North Carolina.

The test states were picked because each has a Senate race in 1986 and in each voters register by party, which simplifies the tracking of results. In addition, according to GOP spokespersons, recent registration trends have favored the party in at least the three selected southern states.

The Senate situations in each state are borderline and could be affected by any substantial change in registration and party allegiance, either way. In Louisiana, what would doubtlessly have remained a sure Democratic seat becomes iffy with the retirement of Sen. Russell Long. In each of the other states, incumbent Republicans are marginal for several reasons, among those the narrowness of their 1980 victories: Paula Hawkins (Fla.) 51.7 percent of the vote; John East (N.C.) 50 percent; Arlen Specter (Pa.) 50.5.

Dubbed "Operation Open Door," the GOP campaign will involve direct mail, door-to-door canvassing, phone banks and TV advertising to get registered Democrats to switch parties.

A concurrent campaign will be waged by the GOP at a different level to persuade more Democratic office-holders to come on over. Reportedly, one inducement will be a White House reception at the end of the 100-day campaign, hosted by President Reagan, for all elected officials who see the light.

Two recent converts will be used in the four target states to prevail on Democrats at-large and elected Democrats to join them. They are former Rep. Kent Hance (see story this page) and former UN Ambassador Jeane Kirkpatrick.

## Political Money I

**If you're concerned about runaway political spending, take heart.**

**In the recent mayor's race in Laytonsville, Md., challenger Larry Barker spent $14.63. Three-term Mayor Charles White didn't spend a penny.**

**The mayor was re-elected, and no one has charged he "bought" the election.**

## Political Money II

**On the other hand, if you're not so much concerned with the *amount* of money spent on campaigning as with a balance in funding, maybe this will cheer you:**

**Democratic committees, though still trailing their GOP counterparts badly in contributions, made up some ground in 1983-84 over the 1981-82 election cycle.**

**In the earlier cycle, the GOP National Committee and its House and Senate campaign committees raked in $191.1 million to $31.7 million for the three equivalent Democratic groups—roughly a 6-1 advantage.**

**In 1983-84 the spread was $246.1 million for GOP committees to $58.8 million for Democrats, slightly better than 4-1. It's still a far cry from funding parity, but every little gain counts.**

## Hance Bolts to GOP—Eyes Texas Statehouse

Another Democrat bolted to the Republicans, but it's hard to get over-wrought about Kent Hance's switch in party allegiance.

The former Texas Democratic member of the U.S. House—he gave up his seat in an unsuccessful run for the Senate last year—announced recently he's not comfortable any more with Democrats and feels more at home among Republicans, especially if they look kindly on his notion to run for governor against his former Democratic colleague, incumbent Gov. Mark White.

Hance, as a House member, rung up a 62 percent "wrong" record on the AFL-CIO scorecard, so he voted mostly Republican anyway.

His shift to the GOP follows by little more than a year fellow Texan Phil Gramm's leap across party lines. Gramm, who as a Democrat tipped off his party's legislative strategy to the GOP, bolted, re-won his House seat in a special election and was elected to the Senate as a Republican last November, succeeding John Tower.

Hance, as a Democrat, co-sponsored President Reagan's tax proposals of 1981 at the same time Gramm was co-sponsoring Reagan budget proposals. Largely, the legislative record of both had been Republican a long time before their party change was made official.

Hance's defection follows that of eight Texans elected to local offices as Democrats last November who jumped party since. Texas GOP officials think this, in turn, will lead to some party switching by state legislators.

## Button Time

**Presidential campaign paraphernalia for 1988 is already hitting the market. Some Democrats are sporting Cuomo lapel buttons, and an ad in the right-wing publication *Human Events* offers pins promoting a GOP "Dream Team" of Rep. Jack Kemp for President and former UN Ambassador Jeane Kirkpatrick as his running mate. Another is Kirkpatrick—a Democrat recently turned Republican—on her own for President, and there's one for Vice President Bush as well.**

AFL-CIO news

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# Senate moves to undermine Davis-Bacon

Organized labor will fight to eliminate a provision in the Senate's defense authorization bill exempting military construction projects of less than $1 million from the Davis-Bacon Act.

"The legislative process is not over," President Robert A. Georgine of the AFL-CIO Building & Construction Trades Dept. said after the Senate voted 49 to 49 to retain the provision.

"This is only one phase in the process," Georgine said. "We are hopeful we can turn it around."

The House defense authorization bill passed earlier this spring does not have the exemption, and the Building Trades unions and their allies will press to keep it out of the final measure that emerges from the House-Senate conference committee that will reconcile the conflicting measures.

The BCTD plans a postcard campaign aimed at those senators who voted against an amendment sponsored by Sen. Edward M. Kennedy (D-Mass.) that would have stricken the prevailing wage exemption from the defense bill.

Expressing his disappointment with the vote, Georgine warned that the exemption provision "would deprive thousands of workers of prevailing wage protections and would not, in real terms, save the federal government any money because they will be using substandard craftsmen to do the work."

### Fair wage law

The Davis-Bacon Act, enacted in 1931, was one of the nation's first fair wage standard laws. It was designed to outlaw wage exploitation in federal construction by preventing employers bidding for government contracts from undercutting local area labor standards. The law requires that construction workers on federal projects be paid the "locally prevailing wage" for their skills.

A major concern of organized labor is that national security as well as the safety and well-being of armed services personnel will be jeopardized by an unskilled workforce which will arise as a result of undermining the prevailing wage requirement.

Predictably, employer associations such as the anti-union Association of Building Contractors and the U.S. Chamber of Commerce hailed the Senate action as a victory in their campaign to repeal Davis-Bacon.

The exemption provision, sponsored by Sen. Phil Gramm (R-Tex.), not only would eliminate the prevailing wage requirement from projects of less than $1 million but also would change the way that prevailing wage rates are determined.

Gramm's amendment would require that the prevailing wage be pegged to wages paid 50 percent or more of the workers in a particular occupational classification in a local labor market, including helpers, rather than the existing 30-percent standard.

The Gramm amendment also would prohibit using urban pay rates to determine rural rates in an area and vice versa.

In his move to strike down the amendment, Kennedy declared that Gramm's plan was an "indefensible assault on the

**Continued on Page 4**

# Import assault worsens as factory orders slump




**A grand hotel strike**

New York hotel workers demonstrate outside the Sheraton Centre in the first week of a strike against 54 hotels by some 15,500 members of nine unions. The Hotel & Motel Trades Council has been trying to reach an agreement with the city's hotel owners association for 14 months. (Story, Page 2.)

## *Trade deficit for April hits $11.8 billion*

**By James M. Shevis**

A surge in the U.S. trade deficit with other countries, combined with another decline in new orders for domestically produced goods, served to aggravate the ills of the nation's economy, which has slowed markedly in recent months.

In separate reports, the Commerce Dept. said that the U.S. merchandise trade deficit widened by $11.85 billion in April at the same time new orders for durable goods fell five-tenths of 1 percent, the third monthly drop in a row.

The two developments are both sides of the same coin. Factory orders at home are down because they are being diverted to foreign countries where they can be produced with cheap labor. And this helps balloon the U.S. trade deficit.

### Remedies needed

AFL-CIO Economist Mark Anderson said the continued decline for the nation's trade accounts underscores the need for strong action to defend U.S. industries and workers.

"The Administration's policy of benign neglect is having truly tragic consequences," he said. "Unemployment remains at recession levels and 130,000 jobs have been lost in manufacturing in the last three months alone.

"It is incumbent upon Congress to exert leadership in the trade area, and enact legislation to arrest this damaging decline."

April produced the third largest monthly rise in the trade deficit on record, the largest this year. It followed deficits of $11.05 billion in March, $11.45 billion in February, and $10.28 billion in January.

If the trade deficit continues to grow at the pace set in the first four months of the year, the nation will run a $133.9 billion deficit for the year. Last year's trade deficit

**Continued on Page 5**

# House adopts sanctions as anti-apartheid weapon

Congress moved closer to final passage of legislation that would impose stiff economic sanctions against South Africa unless that country takes steps to dismantle its racist system of apartheid.

By a vote of 295 to 127 that reflected wide bipartisan support, the House approved a bill to prohibit U.S. bank loans to the South African government, halt new investments in South African business, ban the importation of Krugerrand gold coins into the United States, and end the export of computers to South Africa.

Fifty-six Republicans joined 239 Democrats in approving the sanctions. Voting against were 121 Republicans and six Democrats.

In addition, the bill establishes conditions under which two of the sanctions could be waived for limited periods. The legislation also sets penalties for enforcing the sanctions.

Earlier in the week, the Republican-controlled Senate Foreign Relations Committee overwhelmingly approved similar legislation. The 16 to 1 vote indicated that the measure will have no trouble clearing the full Senate.

While not as tough as those proposed by the AFL-CIO, the sanctions were backed by organized labor, which warned Congress earlier this spring that the apartheid system could lead to bloody conflict unless it is soon dismantled.

The congressional action sent a strong signal to the Reagan Administration that the American public rejects its policy of "constructive engagement" that winks at South Africa's apartheid system.

In testimony before both the House

**Continued on Page 3**

## *Former civil service chief pulls out under heavy fire*

**By John R. Oravec**

Donald J. Devine, the Reagan Administration's tight-fisted and combative director of the Office of Personnel Management, withdrew his nomination for a new term as head of the federal civil service.

Devine's pullout came a day after the General Accounting Office charged that he "illegally circumvented" federal law in an attempt to retain authority over OPM after his old term expired in late March.

Just before his four-year term ended, Devine secretly signed an order giving himself full power to continue running the agency although he was legally required to step down.

Instead, he took a job as executive assistant to the acting director of OPM, Loretta Cornelius. In testimony to the Senate Government Affairs Committee, Cornelius said she had not been informed of Devine's secret order, but that Devine later asked her to say she had known about it.

At earlier hearings, federal employee unions testified that Devine was unfit to hold OPM office.

President Keneth T. Blaylock of the AFL-CIO Public Employee Dept. accused Devine of having "demeaned the integrity of his office" by his blatantly partisan administration of the federal civil service.

Showing no regret over Devine's departure, Blaylock commended the Senate committee for its close scrutiny of the former OPM director's performance.

"We welcome the opportunity to begin

**Continued on Page 2**

**LEGISLATIVE ALERT!**

PAGE 8

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AFL-CIO Sec.-Treas. Thomas R. Donahue assailed OSHA's failure to issue a grain dust standard in address to Grain Millers convention delegates.

# OSHA blasted on rule delay to defuse grain dust hazard

Toronto — The failure of the Occupational Safety & Health Administration to issue a federal grain dust standard was blasted by AFL-CIO Sec.-Treas. Thomas R. Donahue in a speech to the Grain Millers' convention here which unanimously adopted a resolution urging immediate action by OSHA.

"We're tired of the stalling," Donahue said. "We want a safe working place for your members and for other workers in similar facilities."

He stressed the difference between the United States and Australia, which has had strict controls on the accumulation of grain dust for decades. There have been only minor explosions in Australian grain processing facilities over the past 60 years, Donahue said. In the United States, however, 205 workers have been killed in 374 explosions over the past 26 years.

"The calloused indifference on the grain standard is typical of an OSHA, a Labor Dept. and an Office of Management & Budget that knows the price of everything and the value of nothing," he said.

Robert F. Harbrant, president of the federation's Food & Allied Service Trades Dept., voiced similar concern, noting that the Grain Millers and FAST have worked together to pressure OSHA for a standard.

But, he noted, "we still do not have a grain standard, because the rich and powerful businesses and the insensitive government continue to try and make you believe they do not know the cause of grain dust explosions. This is inexcusable, unbelievable, unconvincing and in short—a damn lie."

### NLRB politicized

The 227 delegates to the convention also adopted a resolution objecting to the politicization of the National Labor Relations Board by the Administration. It charged that President Reagan's appointments to the Board "constitute a perversion of both the board's role and the appointment process, in order to effectuate the anti-union philosophy of employers."

Another resolution supported the petition of the National Corn Growers to bar concessions under President Reagan's Carribean Basin initiative that permit "unfairly subsidized" Brazilian ethanol to enter the United States without duty to compete with domestic production.

Other resolutions adopted by the delegates related to constitutional changes and internal policies.

Among other convention speakers were Ontario Federation of Labor President Clifford G. Pilkey, Canadian Labor Congress Sec.-Treas. Shirley Carr, Assistant Director Charles McDonald of the AFL-CIO Dept. of Organization & Field Services, Sec.-Treas. Elmer Chatak of AFL-CIO Industrial Union Dept., and Jeff Fiedler, FAST's corporate affairs director.

## Trojan Luggage goes on labor's Unfair List

Trojan Luggage Co. of Memphis, Tenn., has been placed on the AFL-CIO Unfair List at the request of the Furniture Workers, the Union Label & Service Trades Dept. announced.

The listing is in support of the UFWA Local 282, which struck Trojan in April after the company demanded that workers pay $50 a month toward negotiated group health insurance benefits. Wages at Trojan average only $4.96 an hour, the UFWA pointed out.

Trojan demanded the give-back even though it posted profits in each of the last three years, the union reported. The company is maintaining operations with strikebreakers.

## 15,500 out in New York

# Hotel strike counters demand for givebacks

New York—Some 15,500 workers, represented by the nine-union Hotel & Motel Trades Council, are on strike against 54 major hotels here. The unions warned that the strike would be expanded to more hotels unless progress is made in the bargaining talks that have been dragging on for 14 months.

The council, a coalition representing 25,000 workers at 165 hotels, charged that the settlement of the strike is being prolonged by the multinational hotel chains. "The problem is not with the small hotels," said council representative Henry Sheinkopf. "It's a clear case of gangsters with attache cases deciding union policies. The multinationals are carpetbaggers with no allegiances to this city."

### Strike issues

The council on June 6 filed unfair labor practice charges against the Hotel Association charging that the employers' group is prolonging the strike by making its members agree to an illegal "mutual assistance pact."

The unions said they had been prevented from signing separate agreements with hotels represented by the association.

The central issues in the strike, the first against the hotels in 46 years, include wages and demands by employers for a two-tier pay scale, employee contributions to benefit funds, merging of some job titles, extension of probationary period, and the exemption of some jobs from union coverage.

Both sides have narrowed their differences over the last 14 months. The unions are seeking a first-year pay raise of 6.5 percent as part of a 25-percent increase over four years. Hotel owners want to limit the first year increase to 4.5 percent in a five-year package, with raises of $14.50 a week in each of the remaining four years. The trades council noted that the weekly wage formula would be only a 2-percent increase. The average wage for the hotel workers is $315 a week.

Unions comprising the council are the Hotel Employees & Restaurant Employees Local 6, Electrical Workers Local 3, Operating Engineers Locals 94, 94A and 94B, Service Employees Local 144, Firemen & Oilers Local 56, Painters Local 1422, Office & Professional Employees Local 153, Upholstery Workers Local 43 and Carpenters Local 1.

The unions set up picket lines June 1 at 45 of the 165 hotels involved in the bargaining. The strike was later expanded to 54 hotels.

Seventy-six hotels have signed agreements committing them to accept the pattern contract as negotiated between the council and the Hotel Association.

Bargaining talks have continued sporadically since the strike began with federal mediators attempting to narrow the gap between the two sides.

The strikers have received strong support from other unions, including the garbage collectors, cab drivers, musicians and deliverers of food and supplies. When uncollected trash accumulated to cause a health hazard at some hotels, the city's sanitation department was called in to haul away the garbage, with the hotels having to pick up the tab.

The struck hotels are remaining open with supervisors providing minimal services.

Round-the-clock picket lines have been confined to areas behind police barracades. Several pickets have been injured thus far during the strike with two reportedly slashed by two scabs outside the Sheraton Centre on June 3. Pickets have reported being struck by objects thrown at them from the upper floors of the hotels.

Among the events taken out of the struck hotels was the Tony Awards ball which is held in conjunction with the presentation of Broadway's theatrical awards. It was moved from the New York Hilton to the Grand Hyatt Hotel.

Mayor Ed Koch refused to cross the picket lines to give a speech to a pediatricians' convention at the Waldorf-Astoria, and Rep. Maro Biaggi cancelled a $100-a-plate fund raiser that was to be held at the Sheraton Centre.

# Devine's pullout gratifies unions in civil service

**Continued from Page 1**

to repair the damage done to federal personnel practices over the past four years," Blaylock said.

One of President Reagan's staunchest ideological supporters, Devine had been under fire for political activities on behalf of Republican congressional candidates in the 1984 campaigns and earlier.

But with the revelation of Devine's secret order, his chances of confirmation by the Republican-controlled Senate faded quickly. While denying he had done anything wrong in keeping control of the agency after his term ended, Devine announced he was withdrawing his nomination.

Blaylock, who heads the Government Employees, branded Devine a foe of collective bargaining and accused him of trying to replace career federal workers with political appointees.

### Above the law

Earlier, Devine told a Senate Civil Service subcommittee that he saw nothing wrong with his taking an active role in political campaigns while drawing a federal salary as the top administrator of the OPM. Devine insisted that as a presidential appointee he was not subject to the Hatch Act, which prohibits political activities by government employees.

But it was the Reagan Administration that brought charges of Hatch Act violations against Blaylock and Presidents Vincent R. Sombrotto of the Letter Carriers and Moe Biller of the Postal Workers—although all three have been on long-term leave without pay from their government jobs.

In her testimony to the committee, Acting OPM Director Cornelius said she had not learned of Devine's secret order until almost five weeks after he signed it.

She said Devine told her he had forgotten to inform her, but he subsequently urged her to say she had been fully aware of it. Cornelius said she decided to fire Devine when she uncovered the order.

Asked about charges that he had lied to Cornelius about his scheme to continue his authority over OPM, Devine said, "I can say absolutely and without reservation I did not tell her or anyone a lie."

The GAO decision said Devine illegally "exceeded his authority" by delegating absolute power to the OPM executive assistant—the position he assumed after his term as director ran out.

# *New policy on disability claims hit*

The Reagan Administration's highly touted announcement that it will follow court precedents on the payment of social security and disability benefits is "misleading" and "inadequate" because it does not apply to the lower steps of the claims procedure, the AFL-CIO said.

Larry Smedley, associate director of the federation's Dept. of Occupational Safety, Health & Social Security, charged that the Dept. of Health & Human Services chose to "ignore the first two levels" of the four-step claims procedure, when it should have extended the benefit of judicial ruling to all levels of the process.

HHS Sec. Margaret M. Heckler had announced that the department, in a "new approach," will apply appeals court rulings on social security issues to similar cases within a judicial circuit.

Under HHS's old policy of "nonacquiescence," the department applied circuit court decisions that disagreed with its policies only to the specific cases that prompted the rulings. It ignored the court precedents when processing subsequent similar cases.

### Appeals process

The new approach allows local hearing officers and state agency officials to continue to ignore the circuit court rulings that conflict with agency policy. Cases that are appealed to an administrative law judge or finally to the Appeals Council may benefit from the new approach as being subject to the appeals court precedents.

Eileen P. Sweeney, an attorney for the National Senior Citizens Law Center, noted that under the new Administration policy "persistent people who appeal may get the benefit of circuit court precedents" while those who do not appeal will not benefit.

During Reagan's first term, nearly a half-million persons were dropped from the social security disability rolls on the ground that they were no longer too ill or disabled to work. Hundreds of thousands carried appeals to the courts and were restored to the benefit rolls when the courts ruled in their favor. The SSA, however, refused to acquiesce to extending the rulings to similar cases.

The Administration's decision to try a "new approach" resulted directly from a court challege to its nonacquiescence policy by the City of New York and the American Civil Liberties Union on behalf of some 25,000 persons who unsuccessfully applied for benefits or who were cut from the disability rolls.

# Job security heads goals at Westinghouse

Pittsburgh — Job security protections head the list of union objectives in negotiations for 26,000 workers at Westinghouse Electric Corp. plants across the country.

President William H. Bywater of the Electronic Workers stressed as bargaining opened here that the IUE and other unions in the Coordinated Bargaining Committee of General Electric & Westinghouse Unions also will be seeking improvements in the pension plan, wages, cost-of-living adjustments, health insurance and other provisions.

Also involved in the initial stage of the talks are the Electrical Workers and the unaffiliated United Electrical Workers. Along with the IUE, they bargain for the bulk of Westinghouse workers represented by the 13-union CBC coalition under contracts that expire July 21.

Negotiations opened May 14 on new contracts between the unions and General Electric to replace agreements expiring June 30.

Since the current contracts were signed three years ago, the number of union employees has dropped from 100,000 to 80,000 at General Electric and from 41,500 to 34,000 at Westinghouse.

During this period, Westinghouse pension plan assets grew 55 percent to $3.4 billion, Bywater noted. But while employee contributions rose 51 percent, the company's contribution fell $91 million—down 48 percent.

### Cruel realities

"We are deeply concerned and troubled at the wide disparity between the soaring profitability of the company . . . and the cruel realities that face present and former IUE members of the Westinghouse family," said Bywater, who heads the CBC steering committee.

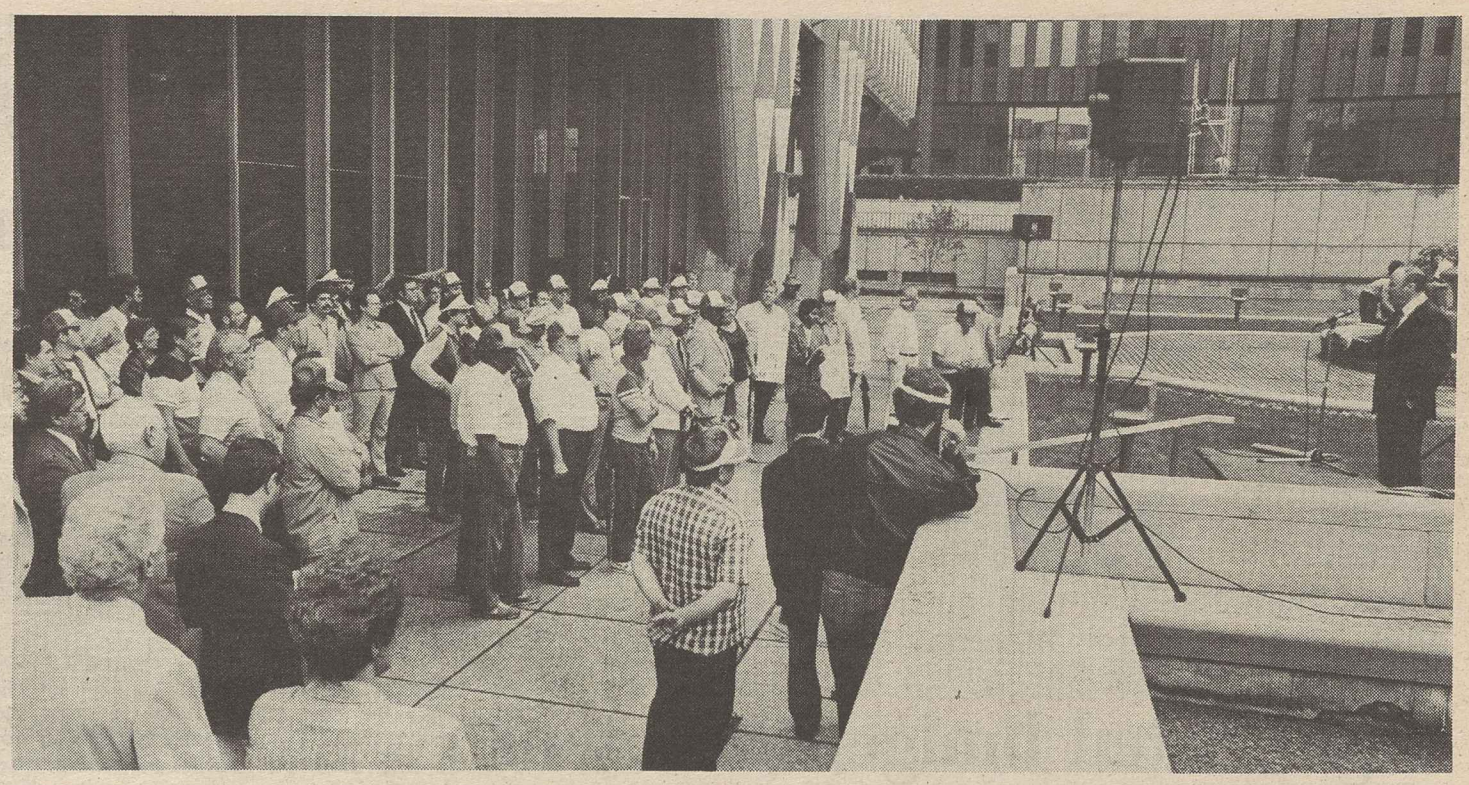
"Westinghouse most certainly can upgrade its pension program."

The unions also face a move by Westinghouse to end the history of national contracts and negotiate separate agreements covering workers at 27 different locations.

But the company's "autonomous business unit approach" was sharply rejected by the unions.

IUE "sought and was granted in the mid-40's status as a single national bargaining unit at Westinghouse by the National Labor Relations Board in conformance with national policies for promoting labor-management stability," Bywater pointed out national bargaining remains "vital to the interests of the people we represent," he stressed.

Other unions in the CBC are the Flint Glass Workers, Plumbers, Steelworkers, Auto Workers, Allied Industrial Workers, Machinists, Carpenters, Sheet Metal Workers, Firemen & Oilers, and the unaffiliated Teamsters.



IUE President Bywater addresses rally at the opening of Westinghouse contract negotiations in Pittsburgh.

# *Arizona convention assails Reagan anti-worker policy*

Flagstaff, Ariz. — Administration attempts to saddle workers, the elderly and the poor with a disproportionate share of the federal deficit burden and its failure to curb the mounting trade imbalance were major targets throughout the three-day Arizona State AFL-CIO convention here.

Retired Steelworkers' official Larry Spitz, who heads the Union Club of Sun City, criticized the Reagan Administration's continuing attacks on social programs, including social security and its drive to tax health and hospitalization insurance and other job-related protections. He emphasized the enormous growth of the public debt under President Reagan.

### Cheap labor

Earl McDavid, western director of the AFL-CIO Union Label & Service Trades Dept., pointed out that this year the nation's trade deficit is expected to soar to $150 billion—five times the level when Reagan took office. He said that while American business has set up shop overseas to exploit cheap labor, the Administration has done little or nothing to curb imports.

State AFL-CIO Sec.-Treas. Darwin Aycock told the 250 delegates that the "biggest disappointment" of the 1985 session of the legislature was its refusal to raise the weekly unemployment benefit higher than $135—"far below all of the other western states."

Business executive Bill Schulz, a Democrat, who lost narrowly in his 1984 bid to unseat U.S. Sen. Barry Goldwater (R) and plans to run for governor next year, urged "an environmental tariff . . . to save the dying copper industry." He said that while the copper industry was "once arrogant, it is now scared to death" by copper imports that are produced under lax, if any, enforced environmental and worker safeguards.

Schulz pledged that as governor he would push for a tax on imported copper to cover domestic environmental costs, which he estimated are about 10 cents a pound.

Other speakers included Assistant Regional Director Ed Collins, State COPE Director David Gregory, Arlyn Plowman of the Rocky Mountain Safety & Health Project, AFL-CIO Region VI COPE Director LaMar Gulbransen and Susan Dunlop, assistant to AFL-CIO President Lane Kirkland.

Aycock was re-elected to a 10th two-year term. Charles Huggins of the Electrical Workers was elected president, succeeding Pete McGhee of the Pipefitters who did not seek re-election. McGhee was named president emeritus and an honorary member of the executive board. All vice presidents were re-elected.

## Jobless cut off

**Despite a 13.4 percent unemployment rate, West Virginia jobless workers are no longer eligible for federal extended benefits. Although it has the highest overall state unemployment rate, West Virginia "triggered off" the extended benefits program May 18 when the state's insured jobless rate dropped below 6 percent.**

**The Reagan Administration imposed new restrictions on the program in 1981 and excluded long-term unemployed workers who had exhausted their regular state benefits.**

**Only Alaska with 10.4 percent unemployment, Idaho at 9.5 percent, and Puerto Rico at 22.4 percent remain eligible for extended benefits because their insured jobless are above 6 percent. Jobless workers in five other states with double-digit unemployment rates—Louisiana, Oregon, Alabama, Mississippi and Michigan—aren't eligible for the additional compensation.**

# Bipartisan House vote sets stiff anti-apartheid sanctions

**Continued from Page 1**

and the Senate, AFL-CIO Sec.-Treas. Thomas R. Donahue said South Africa's black trade union movement "holds the greatest promise for the ultimate elimination of apartheid through peaceful means." He noted also that the country's black trade unionists fully support the economic sanctions even though they might mean some short-term economic dislocation for them.

"They see no other solution," Donahue testified.

Labor's main concern with the House bill, as well as with the companion measure approved by the Senate Foreign Relations Committee, is that they fail to press for the abolition of South Africa's preventive detention laws. These laws, which have been used to jail without charge scores of black trade union leaders, serve mainly to harass and intimidate, Donahue observed.

Of the two bills, the House measure sponsored by Rep. William H. Gray III (D-Pa.) is the more stringent. The Administration opposes either proposal on the grounds that sanctions will lend support to apartheid hardliners in Pretoria and make matters worse for South Africa's black majority.

During debate on the House floor, Rep. Mark Siljander (R-Mich.), who carried the Administration's banner and argument against the Gray bill, said the plan to bar new investment by U.S. firms operating in South Africa would only hurt black workers, who might face layoff.

Responding to Siljander, whose bill to suspend the sanctions for three years was overwhelmingly defeated, Gray said his proposal would not cause the loss of a single job, not even "any of those precious slave jobs in the mines." Gray added:

"Do we stand with the victims or do we stand with the oppressors? No matter how we try to rationalize it, that is the question."

Support for some action against South Africa has been building for years in the West, particularly in the United States since last year when scores of blacks were killed by South African police called in to put down demonstrations.

The AFL-CIO policy for even tougher sanctions than those proposed in the legislation now before Congress is in line with that of other free world unions affiliated with the International Confederation of Free Trade Unions.

# Ohio court orders jobless aid for hospital lockout victims

Columbus, Ohio—Workers locked out by the Ohio Valley Hospital Association when it closed its hospital in anticipation of a strike by union nurses are entitled to unemployment benefits, the state supreme court ruled.

The decision upheld two lower court rulings that members of the State, County & Municipal Employees and of the Licensed Practical Nurses & Skilled Hospital Employees Professional & Economic Security Program, Inc., were entitled to benefits.

The Ohio Nurses Association threatened to strike on Jan. 3, 1979. On the day before the strike, the hospital reduced its patient load to zero and laid off all its workers. The nurses' strike ended on Mar. 5, 1979, the hospital was reopened and all employees were recalled to work.

Some 650 workers were denied jobless benefits during the walkout. The denial was upheld by the Bureau of Employment Services Board of Review which cited state law prohibiting payment of benefits to anyone whose "unemployment was due to a labor dispute."

AFSCME and LPN/SHEP appealed and won rulings in both the common pleas court and the state court of appeals that their members were entitled to benefits because their unemployment was due to a lockout.

Upholding those rulings, the state's high court cited an Illinois supreme court decision in a similar case. The Ohio supreme court described the non-striking union members as "innocent bystanders who were unemployed because the hospital board of trustees created a 'lockout.'"

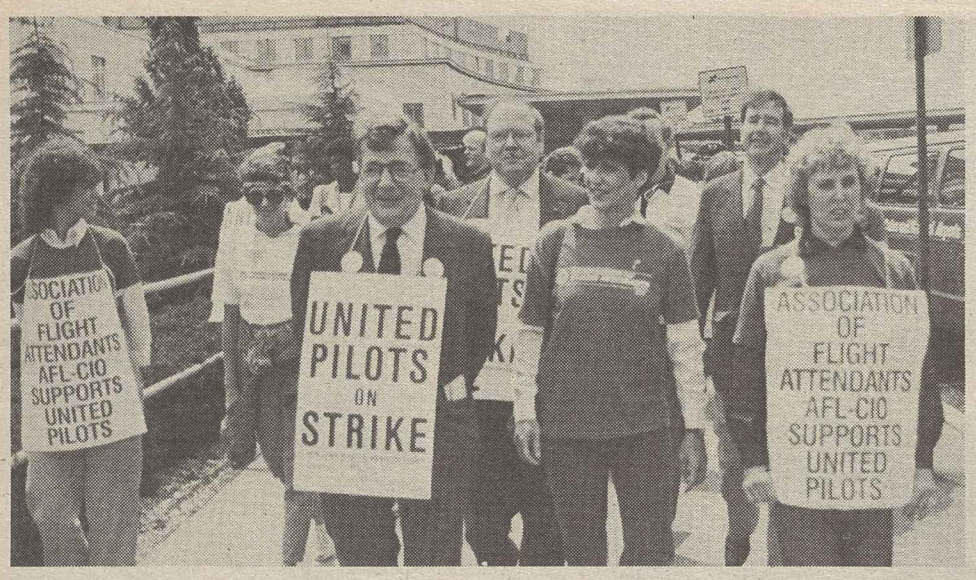
## Mangone named head of Auto Workers' CAP

Detroit—Orazio "Joe" Mangone has been named director of the Auto Workers' national Community Action Program, UAW President Owen Bieber announced.

Mangone, CAP's assistant director since 1982, first joined the UAW in Cincinnati, served as chair of the Greater Cincinnati Citizenship Council, the forerunner to today's CAP Council.

As an international representative in 1967, he helped set up the Ohio CAP and in 1978, he joined the national CAP staff.

Mangone succeeds Henry Lacayo as CAP director. Lacayo is now president of the Labor Council for Latin American Advancement.




AFL-CIO President Lane Kirkland joins Flight Attendants on Washington picket line to rally support for striking United Airlines pilots.

# Tight-fisted budget threatens key Labor Dept. programs

The Reagan Administration's narrow approach to reducing the federal budget deficit could seriously undermine essential Labor Dept. programs, particularly those that provide job training and needed assistance to unemployed workers, the AFL-CIO warned at congressional hearings.

The federation expressed particular concern over proposed cutbacks in the department's appropriations for job safety and health enforcement, adjustment assistance for workers who lose their jobs to the flood of imports, services provided by the Bureau of Labor Statistics, funding of the summer youth employment program, and staffing of other department programs.

The most disturbing proposal in the department's request for fiscal year 1986 is in employment and training, Legislative Rep. Peggy Taylor told a House Appropriations subcommittee.

"The epitome of this regressive policy is the proposal to eliminate the Job Corps," Taylor said. "The Job Corps serves, successfully, some of the people most difficult to employ in our society."

Most Job Corps trainees usually have a limited education, are from the minorities and have never held a full-time job, she noted. Yet despite these odds, the Labor Dept.'s own data for 1984 show that more than 60 percent of the Job Corps students who completed training found employment, and another 15 percent went on for more education.

### Good return

Taylor cited findings of an in-depth study that $1.45 is returned to society for each $1 invested in the Job Corps.

The federation also called for reauthorization of the Trade Adjustment Assistance program, "which the department presumes will expire without renewal." Reauthorization of the program would require new appropriations for benefits, training, job search and relocation assistance.

Taylor noted that President Reagan proposed to replace the Trade Adjustment Assistance program for laid-off workers with services provided under the Job Training Partnership Act's dislocated worker program.

"But what he does not mention," she said, "is that he is also proposing that the JTPA dislocated worker program be cut back by more than 50 percent."

Cutbacks or total elimination of JTPA funds would adversely affect the operations of the federation's Human Resources Development Institute, which has made an effective contribution to the operation of dislocated worker programs.

Taylor asked how the department could justify a reduction in "slots" for the summer youth employment program with the nation's overall teenage jobless rate at 17.7 percent and the rate for black youth at 39 percent.

She questioned the agency's rationale in claiming the slots are not needed because of a projected decline in the youth population and generation by "the improving economy" of a greater supply of summer jobs.

Pointing to low employee morale at the Labor Dept. that has resulted from "insensitive and often hostile" leadership during Reagan's first term, Taylor said organized labor welcomes the appointment of William E. Brock as the new Secretary of Labor.

She suggested that both the Labor Dept. and the nation's workers will benefit from the resignation of Robert A. Rowland as head of the Occupational Safety & Health Administration.

"President Reagan's policies as implemented at the Labor Dept. in the past have been harsh," she observed. "We remain hopeful that Mr. Brock's appointment is more than just a change of stewardship" for a federal agency that has had its effectiveness undermined by the White House Office of Management & Budget.

## Senate votes undercut prevailing pay provision

**Continued from Page 1**

wages of construction workers across this country."

He charged the exemption would not save the government anything but would "strip both union and nonunion workers on military construction projects . . . of all the prevailing wage protections currently provided under every other type of federally supported construction project."

The real purpose of the Gramm amendment, Kennedy charged, is "to repeal the concept of prevailing wage on all military construction projects for all practical purposes."

Kennedy cited estimates of the Congressional Budget Office that 95 percent of all military contracts and 40 percent of the dollar volume of those contracts would be exempted under the Gramm amendment.

## Pilots charge 'bad faith'

# United spurns U.S. bid to reopen strike talks

United Airlines stiffened its union-busting stance against the Air Line Pilots, rebuffing the request of the National Mediation Board to meet with ALPA to settle the back-to-work issues and end the three-week-old strike.

United "is and has been bargaining with its employees in bad faith," ALPA charged on learning of United's refusal to meet.

The company has stalled settlement of the strike by keying on "reprisal issues," the union said.

ALPA President Henry A. Duffy noted that 566 of the 570 pilots United trained over the past year refused to cross the picket lines. The company has vowed not to hire those pilots who cost more than $10,000 each to train. The union said United was "shooting itself in the foot" by sticking to that decision.

Duffy affirmed the ALPA's support for these pilots, saying, "We will not stand by and watch United Airlines take its revenge against 566 pilots who became convinced the ALPA position was correct and joined our effort." Duffy identified this as the major issue remaining in the strike.

The air carrier is also insisting that strikebreakers and newly hired pilots receive "super seniority" over those that went on strike.

The Pilots said they will remain on the picket line until the company also agrees not to retaliate against some 30 supervisors (flight instructors) who have honored the picket lines. United says the union does not represent these workers, but in fact they are ALPA members.

### Solidarity

The Pilots also pledged to remain on strike until a back-to-work agreement with the Flight Attendants is reached. The AFA is conducting informal talks with the company. More than 90 percent of the AFA's members at United have stayed off the job.

ALPA flatly rejected United's contention that the Pilots are attempting to assert bargaining representation for supervisors and AFA members.

"The Flight Attendants have their own union and their own negotiating rights," ALPA pointed out.

"We're only saying that they respected our picket lines, and in turn, we have let the airline know we will not return until AFA reaches an acceptable back-to-work agreement," the Pilots stressed.

And as for the fill-in supervisors, the union noted that it wants them to return to their management jobs at the conclusion of the strike.

No new bargaining sessions had been planned as the strike entered its fourth week.

United, in a mailgram to the Mediation Board on June 5, refused its request for both sides to meet the next day in Washington. It said the company and the union had reached a settlement and charged that the back-to-work issues raised by ALPA were outside the union's jurisdiction and not negotiable.

ALPA had earlier accepted the board's request. The company's reply, however, was that "no meaningful discussions can take place until ALPA drops their demands on these issues."

The intervention of the NMB in seeking to settle the dispute stems in part from the impact the strike is having on airline passengers as United has had to cancel 86 percent of its daily flights. There has also been an economic impact on some cities and especially on tourist trade for Hawaii, ALPA said.

### Money matters settled

The economic issues of the strike were settled when a tentative agreement was reached on May 24. The company got some of the concessions that it sought, said ALPA spokesman Sam O'Daniel, a United pilot for 21 years. "It's hard to believe that the company is being this vindictive. I'm willing to fight this forever."

His sentiments reflected the views of the 5,000 United pilots, more than 94 percent of whom are on the picket line. To maintain that solidarity and to keep the membership informed, the ALPA has used a series of closed-circuit, coast-to-coast teleconferences to discuss pre-strike and post-strike preparations and to answer members' questions. The teleconferences linked 19 cities.

A second phase of the ALPA's efforts involves twice-weekly meetings of pilots and their spouses in small groups to view union-produced videotapes and to conduct roundtable discussions. Communication moves both ways in the meetings as the members receive the latest information on the strike and their concerns are relayed back to headquarters.




ALPA member Dick Rogers, left, Screen Actors President Ed Asner, center, and Los Angeles County AFL-CIO Sec. Bill Robertson lead some 2,000 demonstrators backing United pilots at Los Angeles International Airport.

# Unions awarded OSHA funds for safety education

Thirteen AFL-CIO affiliates have been awarded $1.2 million from the Occupational Safety & Health Administration's shrinking New Directions grants program.

The annual awards are provided on a three-to-five year basis. Under the Reagan Administration, funding for the grants has been slashed severely, from the high of $14 million under the Carter Administration to this year's budget request of just $3.2 million. OSHA Administrator Robert Rowland recently told a congressional panel the New Directions grants had the lowest priority among OSHA programs.

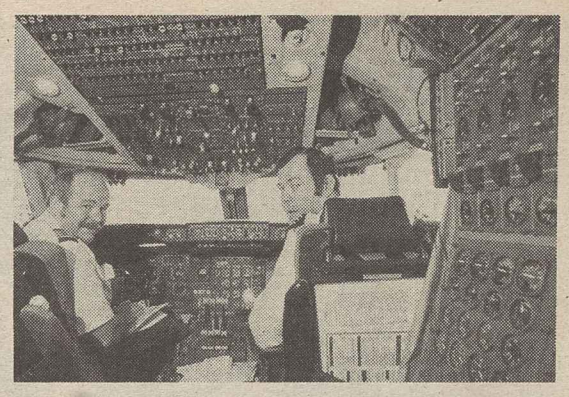
Typically, those awarded grants have identified a serious problem in construction or industry and developed an educational safety and health program to deal with it, according to OSHA.

The federation affiliates awarded grants are the Grain Millers, $180,000; Asbestos Workers, $100,000; Glass, Pottery & Plastics Workers, $110,000; Service Employees, $145,000; Rubber Workers, $90,000; Maine AFL-CIO, $45,000; Florida AFL-CIO, $110,000; California State Building & Construction Trades Council, $90,000; North Dakota State Building & Construction Trades Council, $65,000; Texas Building & Construction Trades Council, $65,000; Washington Building & Construction Trades Council, $115,000; West Central Illinois Building & Construction Trades Council, $60,000 and Painters' District Council 9 in New York, $90,000.

OSHA said a decision would be made later on funding for the Laborers' Alaska District Council.







IAM cargo handlers load supplies into an Ethiopia-bound transport jet, while ALPA crew and flight attendants make last minute preparations for the Flying Tigers' mercy mission for starving Africans.

# *Airline union volunteers reach out to Ethiopia*

Union members joined forces with their airline employers to provide vital shipments of food to the starving people of Ethiopia. In two separate campaigns, Machinists, Flight Attendants and Air Line Pilots at Flying Tigers and Eastern Airlines organized mercy missions to aid famine victims in Africa.

"Lifelift for Ethiopian Relief," sponsored by Los Angeles-based Flying Tigers' employees, left New York's Kennedy airport with 234,771 pounds of medical supplies, food and clothing valued at over $1 million. The Flying Tigers' workers donated not only their money but their time and talents to the aid project.

An employee committee spent a short three and one-half weeks organizing the airlift and finding answers to seemingly endless questions, such as, "Could a 747 freighter acually land in Addis Ababa, Ethiopia?"

Food and medical supplies needed to be located and transported to New York, fuel had to be purchased, and volunteer flight crews had to be found. Fund-raising efforts were started and donations poured in from the company's offices in Japan, Taiwan, Australia, Hong Kong, Singapore, Europe and throughout the United States.

Worldwide, workers responded to the committee's call that someone must care.

Once in Ethiopia, the food, clothing and medical supplies would be distributed through Interaction, a coalition of 125 private relief organizations active in the country. Since last November, Interaction has shipped $40 million worth of needed medicines and other goods to Ethiopia.

Last minute flight preparations continued at New York's JFK Airport with IAM members giving up their off days to load supplies and service the 747. A dozen cargo handlers worked through the night to complete the final preparations.

### 18-hour flight

The 747 left New York with two crews on board for the 18-hour flight. ALPA members Randy Patterson, captain, First Officer Charles Cozard and Second Officer Charles Gallardo flew the first leg of the trip, joined by Flight Attendants Becky Rasmussen and Michele Rizza and IAM member and mechanic Charles Millman. The ALPA crew was later relieved by Captain Hal Ewing, First Officer Mick O'Connor and Second Officer Paul Zahner.

On the ground in Addis Ababa, handlers began unloading the cargo, bound for refugee camps located outside the city. After six hours on the ground, the crew continued on to Taiwan.

Flight attendants who joined the mercy mission pointed out that warehouses in the United States are full of goods and food to be shipped to Ethiopia, but the cost of a charter flight is nearly $300,000. Flying Tigers' workers are continuing their fund-raising efforts and hope to coordinate future missions.

Union members at Eastern had the same idea. While the Flying Tigers' life-lift was underway, Eastern workers in the Miami area had formed "People of Eastern Helping People," an employee group to channel aid to the African famine victims. Committee leaders — including Buddy Sugg, IAM; Gary Kosak, ALPA, and Mary Kenny, Transport Workers—began a campaign that resulted in 60,000 tons of food, medicine and diet supplements donated to World Vision, a service organization active in Ethiopia since 1961.

Eastern agreed to donate a plane if the committee could guarantee a maintenance crew and raise the $94,000 needed for fuel and landing fees.

Workers took their appeal to Miami area communities, appearing on local radio and television shows, and collected more than $100,000.

### Generous citizens

A Boca Raton, Fla., couple donated nearly $60,000, two-thirds of the amount needed for fuel. "I'm going to be 97 in two weeks and this is my last chance to do something good for humanity," said Fred Krusell. "I saw what you were doing and that you needed help. This is something I want to do for the people in Ethiopia."

The Eastern committee was contacted by the Northwest Medical team in Oregon which volunteered two doctors, 14 nurses and five technicians for an extended tour in Ethiopia. The first mercy shipment left Miami after 75 IAM members spent their days off loading the aircraft, and a second airlift followed six weeks later.

The committee continues in full swing and is working to establish an industry-wide cooperative and continuous airlift service to Ethiopia.

# Foreign trade deficit widens as U.S. plant orders plunge

**Continued from Page 1**

was a record $123 billion, the biggest by any nation in history.

A major reason for the April increase in the trade deficit was a sharp rise in imported autos. "The rise in imports of automobiles was largely from Japan, marking the beginning of a new fiscal year and the end of the voluntary restraint program," Commerce Sec. Malcolm Baldrige said.

"Imports of Japanese automobiles surged to $1.4 billion from $1 billion in March and an average of $1.1 billion per month during 1984."

Unions in the auto industry had warned that the removal of voluntary limits on the import of Japanese-made cars in April would flood the U.S. market and cause further job losses.

### Auto imports

Auto imports made further inroads last month. The nation's major auto producers reported sales of domestic-make cars fell 4.9 percent in the last 10 days of May from the year-earlier level as importers made gains. Sales of European cars rose 11 percent from May 1984 while Japanese-made units climbind 9.8 percent.

For the first four months of 1985, the U.S. merchandise trade deficit was $44.63 billion, or $2.6 billion greater than the same period last year.

During that period, the pattern in manufacturing trade has continued to deteriorate. Manufacturing exports rose $2.9 billion, while imports increased $9.3 billion. The U.S. deficit in the trade of industrial machinery, computers, communication, autos and aerospace goods rose to $14.3 billion in the first four months of 1985 compared to a deficit of $9.4 billion over the same period last year.

The continuing flood of imports translates into the loss of American jobs. Government and trade officials estimate that every $1 billion in trade creates 30,000 jobs. On that basis, last year's whopping trade deficit of $123 billion cost the nation about 3.7 million jobs.

Imports have virtually destroyed such American industries as color television, shoes, cameras, and farm equipment.

The Multifiber Arrangement (MFA), which has given the U.S. textile industry a measure of protection against low-priced foreign competition, is seen increasingly as a model for providing orderly trade while minimizing disruption among U.S. industries. The 24-year-old international agreement allows western governments, including the United States, to set quotas on imports of texiles from low-wage countries.

Last month, a group of top-level business and labor leaders commissioned by former U.S. Trade Representative William Brock called for a new national trade policy as a prerequisite to negotiating a new round of multilateral trade negotiations, saying:

"It is hard to see how the U.S. could benefit (from the talks) since we would be entering negotiations from a weak position due to the overvalued dollar and massive trade deficits."

The group's position coincided with an AFL-CIO Executive Council statement at its May meeting that the U.S. push for multilateral trade negotiations "should not be allowed to take the place of needed efforts to deal with specific trade problems and should not substitute for specific action correcting the imbalance of exchange rates."

The high value of the American dollar has made foreign goods less expensive than domestic goods, and U.S. businesses and consumers have been quick to take advantage of the price difference, con-

# ILGWU pact provides gains in pay, benefits for 125,000

New York — The Ladies' Garment Workers reached agreement with several clothing manufacturers' associations on wage and benefit increases that will eventually affect some 125,000 members of the union.

Meanwhile, the Clothing & Textile Workers, unable to reach an accord with the Clothing Manufacturers Association on a contract to replace one that expired May 31, extended the old agreement for four months. The ACTWU talks involve 53,000 workers in the men's and boys' clothing industry.

The ILGWU's settlement with associations of employers in dress, coat and suit, sportswear, and raincoat manufacturing, provide for no pay raises in the first year of the three-year pacts, but will increase employer contributions to fringe benefits by 2.75 to 3.75 percent. Wage boosts of 6 percent and 5 percent will take effect in the second and third years, respectively.

ILGWU Sec.-Treas. Jay Mazur said talks with other industry associations and apparel contractors are continuing and agreements are expected within a week.

When bargaining began earlier this year, employer negotiators demanded a three-year pay freeze. A major factor in the negotiations was the impact of huge apparel imports on the industry.

ACTWU's four-month extension of its contract with the CMA came after both sides sought a breather in the tough bargaining. The CMA opened the talks with demands for a 15-month pay freeze, a freeze on benefits, and other concessions.

## Chicago doctors pick Hospital-Health Care union

Chicago — Nearly 400 physicians at Cook County Hospital chose the Hospital & Health Care Employees as their collective bargaining representative.

Union President Henry Nicholas said "this may be the largest group of salaried physicians ever to seek union representation."

The doctors filed for recognition following an organizing drive that began shortly after Illinois' new public employee collective bargaining law took effect last year. Nicholas said the doctors are dissatisfied with their lack of voice in patient care and conditions of employment.

Two-thirds of the doctors in the bargaining unit signed authorization cards, the union said. They include surgeons, pediatricians, radiologists, anesthesiologists and internal medicine practitioners. Nearly all other health care workers at the hospital are already unionized.



## Salvadoran visitor

President Jose Napoleon Duarte of El Salvador and the family of slain American trade unionist Michael Hammer meet for the first time since his death in 1981. Duarte, in Washington for talks with U.S. officials, promised to reactivate a Salvadoran investigative unit on the murders of Hammer, Mark Pearlman and Jose Rodolfo Viera in the light of new evidence. Hammer and Pearlman were representatives of the AFL-CIO's American Institute for Free Labor Development. From left, are Michael Hammer, Jr., Hammer's widow Maria, Duarte, AIFLD Executive Director William C. Doherty, Jr., and his wife, Jane.

# *Narrow job disease ruling erodes Virginia coverage*

Richmond, Va.—A Virginia supreme court ruling will make it nearly impossible for victims of occupational disease in the state to get workers' compensation benefits and underlines the urgent need for federal regulations in this area, the AFL-CIO said.

The court decision, which overturned an award made by the Industrial Commission of Virginia, severely constricts the scope of compensable job-related occupational diseases.

"This is an atrocious decision for the workers in Virginia," said Jim Ellenberger, compensation specialist with the AFL-CIO Dept. of Occupational Safety, Health & Social Security.

"Virginia is headed in the opposite direction from the other 49 states" on workers' compensation, Ellenberger charged. "This is an invitation to employers and their insurers to contest every claim for occupational disease."

State AFL-CIO President David H. Laws called the ruling "horrible."

### Workers abandoned

"It's another case where workers have been abandoned," he said.

Laws reported that efforts are being made to persuade Gov. Charles Robb (D) to call a special session of the legislature to reverse the effects of the decision.

The impact of the ruling is just now being felt, Laws said. He cited reports that the Industrial Commission has dropped some persons who have been receiving benefits in the past for occupational diseases.

The state supreme court ruled that "a condition gradually incurred on account of repeated, work-related trauma" is not compensable as an occupational disease under the Virginia Workers' Compensation Act.

The case involved a member of the Communications Workers, Brenda Gilliam, who in January 1983 filed a claim against her employer, Western Electric. Gilliam had contracted tenosynovitis, an "inflammation of the lining of the tendon sheath . . . of the long flexors of the thumb in both hands," according to Dr. Charles Emich, an orthopedic surgeon.

An award by the deputy commissioner of the Industrial Commission ordering Western Electric to pay Gilliam's medical costs was upheld by the full commission.

But the court ruled that the Workers' Compensation Act does not cover "an ordinary disease of life, a 'disease to which the general public is exposed outside of the employment," unless it falls within one of the two exceptions expressly stated.

### Basis of ruling

The judges said that based on the statute and past commission decisions, "we have held that disability resulting from work-related aggravation of such a disease is not compensable."

The court cited the ruling in Holly Farms vs. Yancey, a decision where compensation was denied for a back injury. The judges interpreted the "legislative intent" of the General Assembly when it repealed a list of occupational diseases from inclusion in the compensation law.

The judges agreed with the contention of Western Electric that legislators intended to narrow the coverage of the act by repealing the list. But a 1969 legislative task force said the list was removed to assure broad coverage, because it was feared that listing specific illnesses could result in exclusion of other ailments.

## Federal study faults VDT conditions

Albany, N.Y.—The working conditions of video display terminal operators at two state agencies should be improved with better furniture, reduced glare and less stressful schedules, a federal report specifies.

Prepared by the National Institute for Occupational Safety & Health (NIOSH), the report was presented to the joint safety and health maintenance committee of New York State and the Civil Service Employees Association. CSEA, which is Local 1000 of the State, County & Municipal Employees, represents about 100,000 state workers.

James Corcoran, CSEA safety director, said that under a proposed contract with the state, the recommendations of the report will be implemented over the next three years.

The report was based on an ergonomic evaluation of 40 VDT workplaces at the two agencies and responses to questionnaires from 905 VDT operators. It recommended replacement of most of the chairs and tables at the work stations and the use of more flexible work breaks, periods for stretching and relaxing, variety in work assignments, and training in the use of adjustment features found in VDT work stations. It urged correction of other work station design flaws such as limited screen and keyboard positioning and glare from overhead lighting fixtures.

## Debate heating up

# Unions mark progress in pay equity campaign

By Candice Johnson

The debate surrounding the issue of pay equity for women is heating up, with legislation or legal action pending in Congress, in nearly every state legislature and in hundreds of communities.

While unequal pay has been the rule rather than the exception for working women, the success of many AFL-CIO unions in establishing the principle of equal pay for work of comparable value—through lawsuits and collective bargaining—is putting a new face on so-called women's work.

The drive to eliminate sex-based wage discrimination has met growing opposition from the Reagan Administration, however. Diana Rock, who heads the Women's Rights Program of the State, County & Municipal Employees, testified recently before a House Post Office & Civil Service subcommittee on three areas where the Administration has fought the concept of pay equity: the U.S. Civil Rights Commission's report opposing comparable worth, the Equal Employment Opportunity Commission's inaction on dozens of wage discrimination complaints, and the Justice Dept.'s intervention on the side of the employer in a pay equity dispute filed by the Illinois Nurses Association.

### GAO study

Rock urged Congress to support the findings of the General Accounting Office's pay equity study and adopt methods to eliminate the federal wage discrimination problem.

The Administration's opposition to comparable worth is shared by a number of business groups, including the Chamber of Commerce.

Unions representing state and local workers have pursued pay equity through lawsuits, collective bargaining and other legal action. The state of Minnesota, with strong support from AFSCME, reviewed its wage scales in 1979 and found women workers were paid 25 percent less than men for jobs rated higher in responsibility and accountability.

"It was clear we had a dual wage structure based on sex," said State Employee Relations Commissioner Nina Rothschild. "There wasn't a single case of a female-dominated job that paid as much as or more than the equivalent male-dominated job class."

The state legislature required equal pay for comparable work in 1982 and implemented pay equity raises averaging $1600 for more than 8,000 workers. The cost—4 percent of the state's payroll—was much lower than anticipated, neutralizing much of the hysteria that surrounded the issue. In 1984, Minnesota voted to require all local governments to study and correct their pay systems, and the state anticipates its pay inequities will be corrected by 1987.

AFSCME last month won the first round in a pay equity lawsuit against Nassau County, N.Y., when U.S. District Judge I. Leo Glasser refused to dismiss the union's suit filed on behalf of some 5,500 county workers in primarily female jobs. The union brought suit in April 1984, joined by its local affiliate, the Civil Service Employees Association, and 10 employees, eight women and two men, who are employed as nurses, domestic workers, case workers and investigators.

AFSCME President Gerald McEntee applauded the court's decision and said the union would continue its campaign to remedy "what we believe is widespread sex-based wage discrimination in the county's workforce." He said the court had sent "a signal to employers that wage discrimination is against the law and that employees have the right to litigate possible remedies."

The suit against Nassau County is similar to the 1983 landmark decision won by the union in Washington State, when U.S. District Judge Jack E. Tanner ruled that some 15,000 workers in traditionally female jobs were being underpaid and ordered wage increases with back pay to counteract the discrimination. The state has appealed that ruling.

AFSCME recently negotiated a breakthrough pay equity settlement with the city of Los Angeles, giving extra salary increases to some 4,000 workers in jobs primarily held by women. The three-year agreement provided for "equity raises" of 11 to 15 percent on top of a 9 percent across-the-board wage increase.

In a separate situation, the Service Employees have filed an EEOC complaint charging Los Angeles County with "deliberately maintaining sex and race segregated job classifications." An SEIU survey of county pay records found wage differentials of up to $10,500 between white-dominated and minority-dominated jobs and $7,000 between jobs employing men and women at comparable levels.

### Upgrading pressed

The union earlier filed a comparable worth lawsuit against the state of California seeking upgraded job classifications and back pay awards. The state admitted substantial differences in pay between traditional men's and women's jobs and called for wages to be set "on the basis of comparability of the value of work." The SEIU and its affiliate, the California State Employees Association, have filed suit on behalf of 39,000 workers to force the state to follow through on that policy.

Comparable worth also was at the heart of a 10-week strike against Yale University earlier this year by clerical workers, members of Hotel Employees & Restaurant Employees Local 34. Wage discrimination was clearly documented with the university paying men nearly $700 a year more than women, and white workers $1,000 a year more than blacks for comparable work. The workers won across-the-board pay increases plus equity raises in a new 17-step pay scale.

## Solidarity against Hitler detailed in labor booklet

A booklet on German-American trade union solidarity in the struggle against Hitler's fascist reign has been issued by the AFL-CIO.

Hitler's rise to power in 1933 brought an end to democracy in Germany and the beginning of more than 20 years of iron-fisted rule which spread through much of the world until the dictator's fall in 1945.

The 45-page booklet, with forewords by Federation President Lane Kirkland and Ernst Breit, president of the German Trade Union Federation (DGB), tells how American trade unions helped their persecuted German colleagues during this period.

The publication was originally printed in German for a special meeting last December of DGB and AFL-CIO leaders in Dusseldorf.

Single copies are available at no charge from the AFL-CIO Pamphlet Division, 815-16th St., N.W., Washington, D.C. 20006.

# EDITORIALS

## A Crackpot Scheme

FACED WITH the greatest federal budget deficits in history and a national debt that has doubled in size in four years, some members of the Senate have reached for a political device they hope will solve the problems for them.

This device is the so-called Balanced Budget Amendment embodied in Senate Joint Resolution 13 now before the Judiciary Committee. While the title sounds attractive enough, it is little more than a clever advertising slogan that covers up the potential serious mischief that such legislation could cause.

Since the federal government has been operating with a deficit since Lyndon Johnson last balanced the books 20 years ago, mandating a balance by Constitutional Amendment is a copout of the worst kind.

The chief supporters of the plan are the same people who helped produce the current record level of red ink by slashing the federal tax base so deeply it cannot produce enough revenue to pay the bills the same politicians keep running up.

President Reagan has given hypocrisy a bad name by promoting the amendment after failing five consecutive times to come close to proposing a balanced budget for Congress to consider.

The arguments against SJR 13 are clear enough:

- The Constitution should not be used to enshrine a dubious economic concept, that the federal budget must at all times be in balance.
- Such an amendment would take away from elected officials the responsibility for managing the economic well-being of the country through the fiscal powers of taxing and spending.
- The Federal Reserve System would then have the sole power to manage the economy through its control of the money supply. Federal courts would be the arbiters of federal accounting.
- Congress would lose the essential flexibility to respond to national dangers such as war or depression.

SINCE IT would take a three-fifths vote of Congress to "unbalance" the budget under this amendment, effective control over economic policy would be left in the hands of a minority of members.

The supporters of this amendment are seeking to achieve several goals. In the short term, they want to make a publicity coup by voting for something that makes it appear they are the paragons of responsibility.

In truth, these right-wing zealots are seeking to further reduce the federal government's capacity to protect the health and promote the general welfare of the American people through enlightend public programs.

These reactionaries would defile the character of the world's greatest legal document—the U.S. Constitution—with a provision that would lock in place for the indefinite future one of their crackpot schemes.

We trust that enough members of the Senate have enough respect for the Constitution and for representative government to give SJR 13 an early burial.

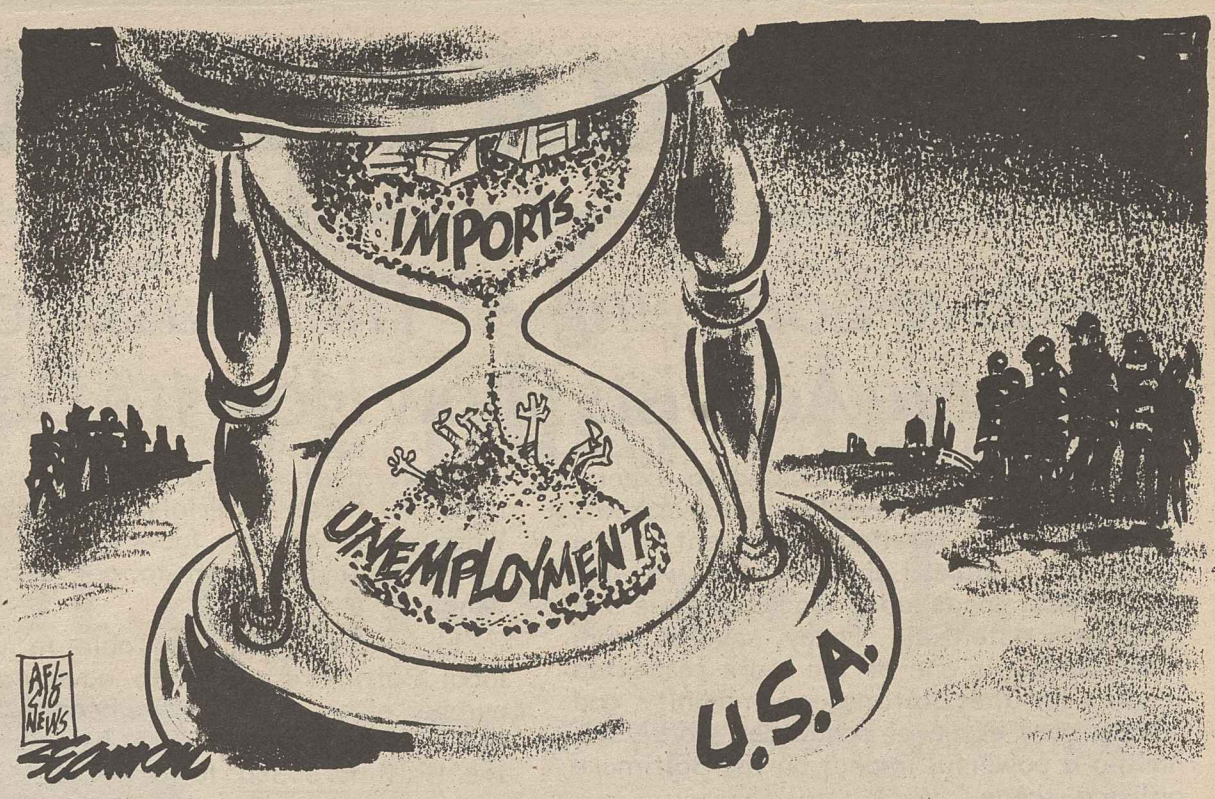
## Devine Departure

SOME YEARS AGO, former Sen. William Fulbright coined a title for a book, "The Arrogance of Power." A critic commented the title could also have been: "The Power of Arrogance."

Either title would be fitting to describe the four-year, destructive career of Donald Devine, who withdrew his name this week from consideration for a second term as director of the federal Office of Personnel Management.

Devine, one of those arch-conservatives recruited by the Reagan Administration to put in action its reactionary policies, found that the Senate Government Affairs Committee could not recommend his reappointment to the OPM.

By departing, Devine has made a notable contribution to lifting the morale of federal workers. They can only hope that the replacement for this reactionary ideologue will be a personnel professional who will treat the government's employees with fairness and dignity.




**Subminimum wage (cont.)**

# Reagan skirts real issues with cut-rate pay scheme

**By Norman Hill**

New York—Conservatives, both black and white, have long argued that poor people do not benefit in the long run from welfare and other "interferences in the free market" such as minimum wage laws. Rather, the argument goes, they are priced out of the labor market and become sucked into a cycle of dependency. For example, the black conservative, Thomas Sowell, has attributed the rise in black teenage unemployment in comparison with white teenage unemployment since the 1950s to the rise in the minimum wage.

Such arguments have resulted in many policy prescriptions. The latest to be pushed in a big way is the youth subminimum wage bill, which is meant to combat teenage unemployment, especcially black teenage unemployment.

The bill would allow youth under 20 to work for $2.50 an hour (the minimum wage is now $3.35). It would supposedly prevent the displacement of older workers by taking effect only between May and October and by mandating heavy penalties to employers who take on under-20 youth to replace older workers.

Proponents of the bill say it would create 400,000 new jobs and give many unemployed youths sorely needed experience in developing work habits and discipline.

### Missing evidence

There are serious flaws in this plan. Even Walter Williams, the black conservative economist who has long advocated a subminimum wage for youth, when he was asked some years ago, "How many more jobs for teenagers might be created with a subminimum wage?" replied: "There's no theoretical evidence to answer that question. It all relates to what economists call 'elasticity'—the response of employment to wage increases or decreases—and that cannot be measured very well." In other words, he doesn't know—which is more than some proponents of this bill will admit.

The idea that a subminimum youth wage would create jobs and not displace older workers is very hard to believe. Employers will not find more low-skilled jobs to offer merely because they can legally pay $2.50 an hour. However, if they can get away with firing their $3.35-an-hour workers and replacing them with the cheaper teenagers, they may very well do so.

The subminimum bill cannot really create jobs; it can only depress wages at the bottom level of the labor market. The minimum wage itself has become an ipso facto subminimum, since it has steadily fallen with respect to the average wage. It fell from 51 percent of the average wage in the 1960s to 46 percent in the 1970s—and today is 41 percent.

### Flawed thesis

According to Sowell's thesis, then, black youth unemployment ought to have fallen during the '70s, and '80s, but instead it was skyrocketing.

Proponents of the bill also are ignoring the fact that a large percentage of businesses are already exempt from minimum wage laws—mainly small businesses, which employ a third of the workforce.

The real causes of the rise in black youth unemployment over the decades can be traced to some large trends, such as the mechanization of agriculture in the rural South; the decline of smokestack industries and all its effects on the black community; the tightening of the job market in the 1970s and '80s; the exit from cities of the black middle class, portions of which traditionally provided an informal job network, and the growth of the "underclass."

The government must take on the difficult tasks of promoting economic development and initiating greater educational and job opportunities for those who need it most. The subminimum wage is simply another way for the Reagan Administration to avoid dealing with the real problems.

*Hill is executive director of the A. Philip Randolph Institute.*

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# LEGISLATIVE ALERT!

## *Effective Lobbying At The Grassroots: Baltimore Activists Show How It's Done*

When the AFL-CIO decided to experiment with a new concept called grassroots lobbying, Henry Koellein, President of the Baltimore Central Labor Council, was one of the first local labor leaders to see the program's potential. Today, several years later, Henry is one of the more respected leaders in the Baltimore community and with a core group of concerned workers is having a powerful impact on the Baltimore political scene.

"We meet regularly with our congressperson, maybe once or twice a month," he explains. "We go in there with eight or ten local union leaders". This way we make sure he or she really gets the message and understands our concerns."

One of the most shining accomplishments was their ability to reach and discuss issues with Congressman Clarence "Doc" Long of Maryland's second district. By keeping the dialogue open with face-to-face meetings, they were able to change the voting record of Long from 53 percent right to 93 percent right, a 41 percent increase.

Particularly significant was their ability to dramatically change Long's attitude on an important natural gas pricing issue in the city. "We're very proud of that one" exclaims Henry.

"I think the greatest thing that happened here with Congressman Long is that he really didn't understand the issue and the concerns we were outlining in our letters to him. But when we went in there, we sat down and showed him how it was affecting his constituents. We showed him how the big natural gas companies were just making a 'land slide' profit. They had a lock on the transport of gas and they wouldn't transport cheap gas, only expensive gas.

"So we equipped him to go back into Congress and get on the floor and fight about this issue," said Koellein.

When talking about the grassroots program and the materials provided by AFL-CIO, Henry reported, "We're using the fact sheets and the packets and we're giving them right to the congressman or woman when we meet with them. We know we're right and these materials help back us up. When you've got the facts in front of you, its difficult for them to get out of the way."

Henry has also been able to use the local Baltimore media to advantage. A number of his letters have been printed in the local papers. Recently he was paid by the Baltimore Sun to write an editorial, with his own byline, on the perils of the Reagan-proposed Youth Subminimum wage bill.

In keeping with his community - minded nature, Henry then donated the $125 he received for the piece to the local community services program.



Henry Koellein, Jr.

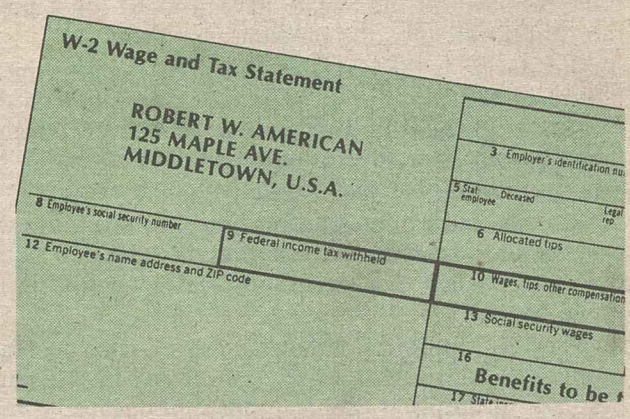
## American Workers Scoring High Marks For Their Productivity

With the balance of trade between the U.S. and Japan worsening each year, many are pointing accusative fingers at the American worker. "If our quality and productivity were only as good as the Japanese." they say, "then we could compete." But recent reports in the Wall Street Journal and USA Today show American workers highly productive and quality minded. So what are the reasons for America's production failings? Poor tools and a lack of quality commitment from managers!

A few U.S. companies in the know, the Journal says, are quietly solving quality control problems through prevention. This includes additional worker training, re-engineering of their products and redesigning of the workplace.

Meanwhile, figures reported by the Bureau of Labor Statistics and reported in USA Today show workers in the U.S. are still the most productive in the world, with those in Germany, Canada and France the closest behind. Next in line were workers in the U.K., Italy and Japan.

While other nations have been investing heavily in new plants and equipment making workers more efficient, U.S. companies have been spending profits on unproductive acquisitions and wasteful takeover fights.




## Fight Continues To Save Benefits From Taxation

Working families can claim a partial victory in the fight to save their hard-earned life support benefits, but the fight is far from over.

The Reagan Treasury Department in its new proposal to reform the nation's tax system, reacted to the outcry of workers and their families and abandoned his plan to tax life insurance, legal service, education and child care payments made by employers on behalf of their employees.

However, the tax package, which gives big new tax breaks to the wealthy, will tax health insurance, unemployment, and worker compensation, black lung and death benefits. These are the heart of America's system of worker protections and some, like workers compensation, have been on the books and above taxation since 1918!

The so-called tax reform treatment of employee benefits differs from a Treasury Department proposal submitted earlier this year in several ways. Where the earlier Treasury plan would have taxed health care payments above a ceiling of $70 per month for individuals and $170 for families, the new Reagan plan taxes the first dollar contributed, up to and including the first $120 contributed for individuals and the first $300 per year contributed in behalf of families. This is a reduction of $7.9 billion in tax impact.

Now that the Administration has given the bill its top priority, working families too must redouble their efforts to save the protections they have worked so long and hard to win. Write your congressman and senators today, tell them that the President's tax reform package will be unfair to working Americans unless they work to remove the provisions for taxation of life-support benefits. Tell Congress to work for legislation that forces big corporations to pay their fair share of taxes.

## Hearings Being Held In Both Houses To Deal With Rash Of Corporate Raids

Hearings have been scheduled in key congressional committees to deal with the growing problem of corporate takeovers, which often cost jobs and uproot communities.

In the Senate, the AFL-CIO will testify before the Securities Subcommittee of the Senate Banking Committee this month to stop this growing trend which is threatening the country's economic health. On the House side, hearings are also slated before the Telecommunications Subcommittee of the House Energy Committee.

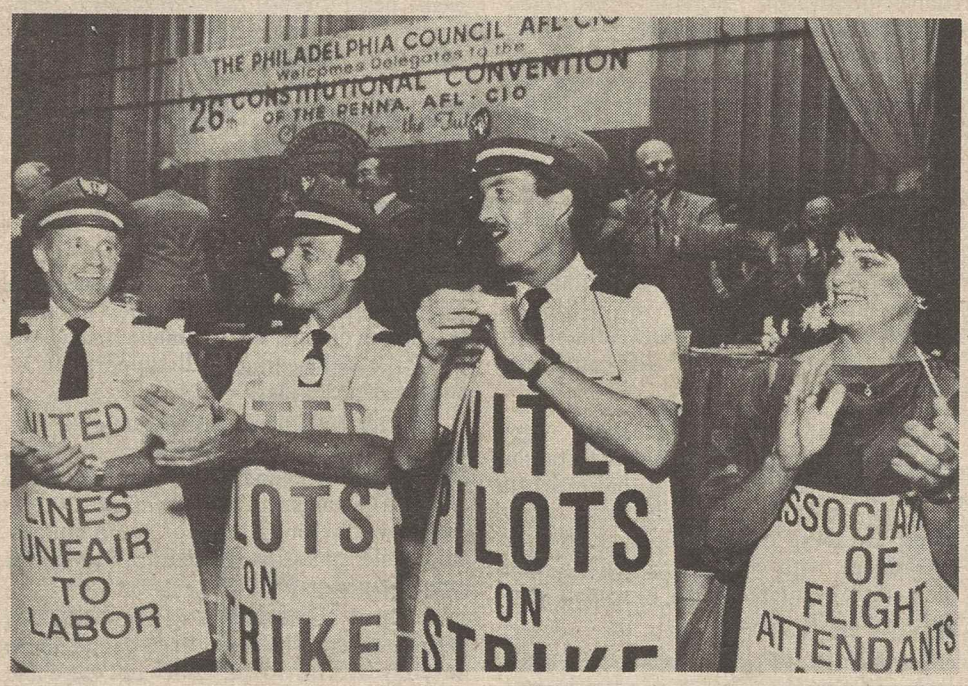
Several bills have already been introduced and more are expected, dealing with the problem in part or in full.

"The billions of dollars used to finance as well as to fend off takeovers is money that is not available for strengthening the national economy," the AFL-CIO Executive Council said in a recent public statement, "America can ill afford this waste of scarce resources, and the losses being suffered now are only the beginning.....Workers too often finance the costs of the raid by job losses or pay cuts."

AFL-CIO news

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# Kirkland asks tax plan change to remedy tilt against workers




Delegation of striking United Airlines pilots and Flight Attendants who are respecting ALPA picket lines welcomes announcement at the Pennsylvania AFL-CIO convention in Philadelphia of a tentative agreement in the four-week strike. AFL-CIO Sec.-Treas. Thomas R. Donahue broke the news of the accord as the United union members took their case to the convention.

## *'Reform' proposals viewed as creating new inequities*

**By David L. Perlman**

The AFL-CIO asked Congress to make the federal tax system fairer by reshaping President Reagan's tax proposal—strengthening its reform features and scrapping elements that would worsen existing inequities.

Federation President Lane Kirkland told the House Ways & Means Committee that the present tax structure fails the test of fairness by taxing income from wages and salaries more heavily than non-wage income.

For the trade union movement, Kirkland said, "the key test of a tax reform proposal is the extent to which it diminishes unfairness toward people who work for their money and eliminates favoritism toward people whose money works for them."

### Reagan plan unfair

On that score, Kirkland testified, "much of the President's program falls short." Many two-earner families would end up paying higher taxes under the Administration proposal than they do under present law. But the wealthiest taxpayers, who were the big winners in the earlier rounds of tax cuts, would come out thousands of dollars ahead.

Kirkland and other union witnesses testifying at the House hearings voiced strong objections to provisions of the Administration plan that would tax health insurance benefits, workers' compensation and black lung payments, and end the low-income exemption for taxation of unemployment benefits.

They protested strongly the Administration proposal to end the federal tax deduction for state and local income, property and sales taxes.

"For five years, this Administration has built upon the concept of 'new federalism' to shift responsibility to the states," Kirkland noted. Yet, "the states that have tried hardest to meet these responsibilities would be penalized and their tax base eroded under the Reagan proposal."

Equally contradictory—"in direct conflict with the President's avowed pro-family sentiments"—is Reagan's proposal to abolish the second-earner tax deduction and end the child care tax credit, Kirkland said.

Ending the two-earner deduction recreates the marriage penalty and targets working families for tax increases, Kirkland noted. A working couple with one child, buying a home on a $35,000 income, could be hit by a tax increase of more than 20 percent under the Reagan plan, he charged.

In his testimony and in response to questions by committee members, Kirkland proposed alternatives to the tax changes opposed by the AFL-CIO that would avoid any revenue loss to the government.

A key element of any tax reform plan, he stressed, must be an assurance that

**Continued on Page 3**

# Pilots reach settlement in United Airlines strike

Chicago—The Air Line Pilots and United Airlines agreed on a tentative new contract that would end the four-week strike against the nation's biggest air carrier.

The settlement came in sight when the two sides endorsed a new back-to-work proposal by National Mediation Board Chairman Helen Witt, who is mediating the talks.

The tentative accord would leave it to a federal judge to resolve the thorny back-to-work issues that kept the strike going even after economic issues were settled May 24.

U.S. District Court Judge Nicholas Bua, who had been previously scheduled to hear charges of unfair labor practice brought by ALPA against United before the walkout, now will rule also on three main points of contention between the parties:

- United's demand to give some 270 non-striking union pilots who crossed picket lines "super seniority" over those who went out on strike.
- ALPA's insistence that the airline hire 570 people it trained as new pilots but who refused to work when the walkout began May 17.
- The status of experienced captains and first officers hired as replacements.

If the tentative setlement is approved by the union's 27-member United council, and no hitch develops in the Flight Attendants' talks on a back-to-work agreement for its members who honored ALPA's picket lines, strikers could begin to return to work within days.

The ALPA council has final authority

**Continued on Page 5**

# Legislation asked to block looting of pension funds

Legislation is needed to curb employer raids on pension funds set up for workers, the AFL-CIO testified at House hearings.

Bert Seidman, director of the federation's Dept. of Occupational Safety, Health & Social Security, expressed the AFL-CIO's concern at an "increasing trend" by employers to terminate so-called "overfunded" pension plans, pay off employees with annuities to cover benefits already earned and pocket the difference.

A recent example, he noted, was the action taken by United Airlines during the recent strike to close out its pension fund in order to return nearly $1 billion to the corporation.

Such employers are "breaking their pension promises and diverting what is right-

**Continued on Page 8**

## New Gallup Poll

# Public support for unions gaining

**By Arlee C. Green**

The public's opinion of organized labor has turned up over the last four years as 58 percent of those responding to a Gallup Poll expressed approval of unions, up from 55 percent in 1981.

Even more pronounced was the drop in the percentage of the public with a negative view of unions, from 35 percent in 1981 to 27 percent this year.

Union families registered an 81 percent approval rate in the Gallup Poll, up from just 73 percent at the beginning of the first Reagan term. The regard for labor unions also improved among non-union families, from 50 percent in 1981 to 52 percent in 1985.

The 1985 approval-disapproval rate of 58 percent to 27 percent, compares to the 1981 rate of 55 percent and 35 percent, and the 1973 rate of 59 percent and 26 percent. According to Gallup's past polls, labor's best year might have been 1957 when its approval rate was 76 percent with only an 18 percent disapproval rate.

Support for unions is greatest in population groups with higher than average representation in the trade union movement, including blacks, blue-collar workers, Democrats, residents of regions outside the South and union families, reported George Gallup, Jr.

### Highest approval

The approval rating for unions was 59 percent among men and 57 percent among women. Support was highest in the 18-29-year-old age bracket, at 62 percent. In the 30-49 age range, approval was expressed by 56 percent, and the over-50 group registered 57 percent favorable to labor.

Gallup reported that 67 percent of the Democrats in the poll approved unions, compared to 57 percent of the independents and 48 percent of the Republicans. Those with incomes under $25,000 favored unions by 60 percent while the approval rate was 55 percent for those with family incomes over $25,000.

The survey, taken Apr. 12-15, showed that unskilled blue-collar workers supported unions by 66 percent, compared to 58 percent among skilled blue-collar workers, 56 percent among white-collar workers and 55 percent for business and professional workers.

By education, the poll showed the highest support, 60 percent, among high school graduates. Those with college degrees and those with less than a high school diploma registered identical 58-

**Continued on Page 6**

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6/15/85

# 2.3 million factory jobs lost to nation since 1979

A new Labor Dept. study shows that 2.3 million factory jobs have been lost in 35 states and the District of Columbia as a result of the two recessions that have hit the nation since 1979.

"These are jobs that are gone forever unless U.S. policies are changed," said Arnold Cantor, assistant director of the AFL-CIO Dept. of Economic Research. "The numbers show both the unbalanced nature of the economy and the problems in the so-called recovery.

"The report points conclusively to the critical need to do something about our deficits in trade as well as with the budget deficit at home."

America's trade deficit with other countries shot up by $11.85 billion in May, giving the nation a total deficit in trade of $44.63 billion for the first four months of the year. At this rate, the United States will run up a deficit of $133.9 billion for 1985.

Government and private economists estimate that every $1 billion in trade represents 30,000 American jobs.

The study by the Labor Dept.'s Bureau of Labor Statistics indicates that six states have been hurt most by job losses since 1979 — Illinois, 324,000; Pennsylvania, 286,000; Ohio, 270,300; Michigan, 240,400; New York, 169,000, and Indiana, 128,800.

### Some gains

Some states gained jobs during the period, among them California with 88,100: Florida, 79,700, and Arizona, 42,000.

The study was made at the request of some members of Congress who wanted more data on the erosion of jobs with the shift from manufacturing to services that has been going on for a number of years.

BLS Commissioner Janet L. Norwood told a congressional Joint Economic Committee hearing on the study that the switchover has a profound impact on workers. "There is a clear restructuring going on in this country," she observed.

The BLS said that of 139 manufacturing industries surveyed in the study, 107 still have employment levels equal to or less than levels before the 1980 recession. Only 32 industries have registered employment gains above their pre-recession levels.

The largest job losses since 1979 were reported in blast furnaces and basic steel products, construction and related products, construction and related machinery, women's and misses' outerwear, plastic materials and synthetics, footwear (except rubber footwear), weaving mills, glass and flatware, and knitting mills.

Industries with the largest job gains were communication equipment, electronic components and accessories, office and computing machines, commercial printing, miscellaneous plastic products, guided missiles, space vehicles and parts, newspapers, motor vehicles and equipment, and periodicals.

### Continuing deadlines

Of the industries that failed to regain their lost employment, 48 accounted for about half the total 2.3 million jobs lost, BLS said. These same industries have continued to lose employment since the 1981-82 Reagan Recession.

The remaining 59 industries have gotten back some jobs since the trough of the 1981-82 downturn, but are still below their peaks before 1980, the government study reported.



Juel D. Drake



John H. Lyons

# Iron Workers tap Juel Drake as John Lyons steps down

Juel D. Drake was unanimously elected president of the Iron Workers by the union's executive council to fill the unexpired term of John H. Lyons, who was installed as president emeritus. Lyons had been president of the union since 1961.

Lyons, who stepped down because of failing health, is an AFL-CIO vice president and the senior member of the Executive Council. He is chairman of the council's standing committee on economic policy and its ad hoc committee on defense.

Drake, 70, has been secretary of the Iron Workers since 1971. He will serve as president until the next election at the union's August 1986 convention in Las Vegas.

Lyons, 65, has been a member of the union for 47 years. In 1954, he was appointed an international representative and organizer. Lyons served as a vice president from 1958 to 1961, when he was elected president by the executive council to succeed his father, John H. Lyons, Sr., who died.

An AFL-CIO president since 1967, Lyons also serves as a vice president and member of the executive councils of the Building & Construction Trades Dept. and Metal Trades Dept. since 1962.

He currently is chairman of the federal Labor Advisory Committee for Trade Negotiations & Trade Policy and a member of the President's Commission on Strategic Forces. Lyons's labor expertise was tapped by six U.S. Presidents as he served on many federal advisory panels.

Drake joined Iron Workers Local 229 in San Diego in 1939. He served as sergeant-at-arms and as an executive board member prior to being elected business manager and financial secretary-treasurer of the local in 1945. He was president of the Building & Construction Trades Council of San Diego County in 1946-47 and was appointed an international organizer in 1948.

He became an international vice president in 1956 and was re-elected to that post four times. Drake also served as acting president of the Iron Workers Washington-Baltimore District Council from 1954 to 1958, and later was president of the Iron Workers California District Council.

Since 1972, Drake has been chairman of the Labor Committee and co-chairman of the National Maintenance Policy Committee of the National Erectors Association.

# Coalition seeks court order for field sanitation standard

A coalition of farm worker groups is seeking an appellate court review of the Occupational Safety & Health Administration's refusal to issue a field sanitation standard.

The 49-page petition for review urges the U.S. Circuit Court of Appeals for the District of Columbia to find that OSHA's decision last April was "arbitrary, capricious, an abuse of discretion, and not in accordance with law." The petition asks the court to require OSHA to issue a standard within 30 days.

Earlier, the AFL-CIO and several affiliates, and church and farm worker groups, called on Labor Sec. William E. Brock to reverse the agency's decision. Brock has met with representatives of concerned organizations on the issue.

The court battle for a field sanitation standard spans a dozen years. In 1982, a settlement was reached whereby OSHA agreed to "make a good faith effort to undertake and complete the development of a field sanitation standard to protect farm workers."

The farm coalition contends the record collected by OSHA at 15 days of field hearings in 1984 "overwhelmingly supports" the issuance of a standard. It notes the testimony of each of OSHA's five expert witnesses, along with testimony from major medical organization, numerous elected officials and other public employees, labor unions, environmental, religious and civil rights groups all support the issuance of a standard.

The farm workers petition charges that OSHA violated the agreement. It states that the term "good faith" imposes upon the OSHA officials "an obligation to exercise their discretion in favor of promulgating a field sanitation standard, if the record supported that result."

At issue is the health of some 550,000 farm workers who have been found to be severely at risk to parasitic and pesticide related diseases.

Experts OSHA hired to analyze the hearing records concluded that migrant farmworkers were up to 59 times more likely to get parasitic diseases than the general public, nearly 25 times more likely to suffer from pesticide-related illnesses, and more than four times more likely to suffer heat-related problems.

The petition stresses that the reasoning used by former OSHA Administrator Robert A. Rowland in refusing to issue a standard is based on grounds "that either were not raised in the record or are inconsistent with (OSHA's) regulatory duties."

Rowland, whose record at OSHA has been strongly criticized, announced his resignation last month.

# *Texas legislature approves labor-endorsed measures*

Austin, Tex.—Major legislative gains, including passage of a right-to-know bill, were made by organized labor in the just-ended Texas legislative session.

Texas AFL-CIO President Harry Hubbard said 27 measures sought by unions representing refining, manufacturing, railroad, teacher, federal, auto and public employees were adopted.

In addition, building trades unions helped kill Republican-sponsored legislation aimed at repealing the state's prevailing wage law and establishing a statewide electricians licensing board.

The right-to-know bill was sponsored by State Rep. Ed Watson, a former Oil, Chemical & Atomic Workers local president.

It requires manufacturers, chemical processors and transporters to advise employees and outside emergency units, including fire departments, of the presence and nature of hazardous material on a work site or en route.

The legislature also adopted a state water plan that calls for a $1.5-billion construction program.

Additionally, it extended unemployment insurance coverage to 145,000 farm workers and adopted a work share program to allow laid-off workers to work part time and still receive reduced unemployment benefits.

The Texas Federation of Teachers, which was the only education organization to support a billion-dollar public education reform package last year, won passage of several measures, including a guaranteed duty-free lunch period for teachers.

The labor movement also helped kill a measure sponsored by the Chemical Council to limit the state agriculture commissioner's power to impose pesticide regulations and a measure sought by the finance industry to permit second mortgages on homesteads.

# Resignation of maritime agency chief hailed

"It's a great day for America's shipbuilders, its shipyard workers and their unions," said President Paul Burnsky of the AFL-CIO Metal Trades Dept., commenting on the resignation of Adm. Harold E. Shear as head of the Maritime Administration.

"He was Reagan's front man, mouthing the Administration's maritime policy, encouraging companies to build foreign. His resignation was overdue," Burnsky declared.

Shear's resignation followed widespread criticism of his piloting of the agency into a tidal wave of shipping bankruptcies, the latest of which came on the day after his resignation and cost $135.6 million. He had approved an elaborate rebuilding plan for two federally insured ships that went bankrupt.

Marine Engineers President Jesse Calhoon recently said of Shear, "He's ineffective and he doesn't understand the business. It's a disaster . . . I've never seen any agency in the disarray this one is in."

Shear faithfully carried out the Reagan Administration plan to cut back subsidies to shipping firms and to eliminate construction subsidies to U.S. shipyards. This result in a sharp rise in the number of commercial ships built in foreign shipyards, at the expense of the jobs of U.S. workers.

Burnsky termed the plight of the nation's merchant marine "one of the Administration's best kept secrets. We are down to 350 U.S.-flag ships, while the Russians have thousands."

The Washington Post reported last year that Shear had approved a controversial plan to convert three defective liquid gas tankers to dry cargo carriers. The conversion work was done by a naval architectural firm whose president previously employed Shear and had paid him a $45,000 severance fee.

One of the three ships was damaged in a storm and the others last month were involved in $135.6 million default. There have been more than $200 million in defaults covered by the agency since 1983 and its reserve fund now has only $9 million to cover more than $7 billion in outstanding loan guarantees.

# *Kirkland asks changes in Reagan tax proposal to avoid new injustices*

**Continued from Page 1**

corporations pay a fair share of the nation's tax burden. Corporate tax cuts enacted early in the Reagan Administration "generated enormous revenue losses, created a new industry around the buying, selling and leasing of tax writeoffs, and opened gaping inequities," Kirkland said. He urged Congress to:

- Reject the proposed "deep cut" in the corporate tax rate. "Each percentage-point cut in the corporate rate from the present 46 percent to the proposed 33 percent costs the Treasury $2 billion to $3 billion yearly in revenue," he said.
- Strengthen the corporate minimum tax and end the "open scandal over the fact that major corporations whose profits total billions of dollars pay little or no taxes."
- Curb tax privileges of the oil and gas industry, which the Treasury proposed last November but the President abandoned in the final version.
- Go further than the President proposed to curtail the foreign tax credit, reject the Administration proposal for a 10-percent deduction for corporate dividends, and eliminate tax incentives that encourage corporate takeovers.

### Redress needed

Kirkland also urged Congress to scale back the sharp reduction in tax rates for wealthy individuals proposed by the Administration. The lowering of the top tax bracket proposed by Reagan would give 25 percent of the total tax reduction—an average of $10,000 each—to the one-half of 1 percent of the population with incomes over $200,000.

He suggested that Congress add a fourth income-tax bracket to the three proposed by the Administration.

Other AFL-CIO proposals would establish a fair minimum tax for high-income individuals and end the preferential tax treatment of capital gains.

Kirkland expressed labor's opposition to proposals that would end worker deductions of various job-related expenses such as protective clothing, tools and union dues. And he protested that a proposal to eliminate federal financing of presidential elections through earmarking of a tax dollar is clearly motivated by ideology, not tax simplification.

In response to questions as to the justification for not taxing workers on the value of employer-provided health insurance, Kirkland said:

If Congress would enact a comprehensive national health care plan—as labor has urged and as virtually every other developed nation has put in place—the AFL-CIO would drop opposition to taxation of health insurance job benefits.

### Labor witness

In other union testimony before the Ways & Means Committee:

- State, County & Municipal Employees President Gerald W. McEntee said that Reagan "correctly read the mood for tax reform in this country, but has viewed it through his own distorted prism." By curtailing the tax resources of state and local governments, McEntee charged, Reagan's tax plan would hurt states that have the greatest needs and that have done the the most to try to meet those needs.
- Teachers President Albert Shanker said Reagan's call for educational reform would be thwarted by ending deductibility of local and state taxes. It could create "a real crisis in education financing," he warned.
- The Communications Workers found through a survey that a large portion of their members would end up paying higher taxes under the Administration plan, CWA Executive Vice President James Booe testified. He cited as examples a single telephone operator with one child and an income of $21,264 a year, who would pay an additional $174 in taxes; a married worker in a $23,340 two-income household who would pay $361 more, and a couple in a $43,884 two-income household, whose tax bill would be $559 higher.
- Ladies' Garment Workers President Sol C. Chaikin expressed concern that the professed goal of "simplification" of the tax structure is being used to make the income tax less progressive. The effect, he said, is to further profit the wealthy while adding new taxes on worker job benefits.
- Postal Workers President Moe Biller said the decline of corporate taxes as a source of revenue has both added to the deficit and forced a disproportionate share of the tax burden on to workers. Against a background of favoritism to the wealthy, he said, union members are skeptical about fairness of the Administration plan.
- Service Employees Sec.-Treas. Richard W. Cordtz said his union welcomes provisions to lift the tax burden from the lowest income households but is concerned that the imposition of taxes on health care benefits would hit that group hardest. Preventive care, diagnostic services, prescription drugs, eye and dental care—all beyond the resources of most lower-income workers—would be especially jeopardized.
- Auto Workers Legislative Director Dick Warden said the UAW would be prepared to support revenue-raising tax legislation as a means of reducing the budget deficit and meeting public needs. But the union is strongly opposed to the further tilt toward the wealthy contained in the President's proposal. Warden warned that a new round of "windfall benefits to the wealthy . . . can only serve to reinforce the public's deep-seated feeling that the tax code is basically unfair."
- Members of the Hotel Employees & Restaurant Employees are concerned both over taxation of fringe benefits and the threat of job loss through changes in the business entertainment deductions, Legislative Consultant Robert E. Juliano said.
- The Fire Fighters called the committee's attention to a section of the President's proposal dealing with so-called "tax-favored retirement plans." Harold A. Schaitberger, the union's governmental affairs director, said the effect on some fire fighters and police officers would be to subject their pension payments to a 20-percent excise tax in addition to normal income tax.



AFL-CIO President Lane Kirkland testifies for tax fairness, with Assistant Research Director Arnold Cantor, right, and Legislative Director Ray Denison.

# Ruling on shoe import quota gives workers partial victory

American shoe industry unions welcomed as a partial victory the International Trade Commission's call for cutting footwear imports, but expressed concern over the ITC plan to exempt items with a customs value below $2.50 from proposed quotas.

"We will continue to work for their inclusion," said President Murray Finley of the Clothing & Textile Workers and President William Wynn of the Food & Commercial Workers in a joint statement.

"Many American workers in the domestic footwear industry produce shoes in this price category, and they deserve the protections given to other workers," Wynn and Finley stresed.

The flood of foreign-made shoes rose 25 percent last year to capture 74 percent of the U.S. market.

Under the ITC plan, the influx of non-rubber footwear would be limited to 474 million pairs a year for the next two years. That ceiling would be lifted by increments of 3 percent a year over the next three years so that total imports would be no more than 564 million pairs in early 1990. Shoe imports in 1984 totaled 726 million pairs.

The exempted $2.50-footwear, which would retail at about $5 a pair, would affect mainly sandals, leather thongs and other casual items.

The ITC plan will be sent to President Reagan July 1 for final action. Under federal law, he has 60 days to accept, reject or alter the ITC recommendations. The proposals would be implemented within 15 days after his approval.

### Quotas retroactive

Under the package of recommendations the ITC proposed, the import quotas would become effective retroactively to June 1. The quotas would have their greatest effect on Taiwan, Korea, Brazil, Italy, Spain, Hong Kong and the Philippines.

One of the recommendations calls for the quotas to be auctioned off to would-be importers, with the government selling import licenses to the highest bid to help defray the cost.

The ITC vote reversed the commission's action a year ago, when the panel ruled that imported footwear was not hurting the U.S. shoe industry or its workers. Pressure for quotas increased as imports rose sharply last year, and the ITC ruled in May that the domestic industry had been hurt enough that a remedy was needed.

# *Runaway plants get U.S. blessing*

The Reagan Administration is openly encouraging American manufacturers to move their production facilities overseas to exploit cheap labor and reap more dollars.

This is the charge levied by Sen. Lloyd Bentsen (D-Tex.) in letters to the President and Commerce Sec. Malcolm Baldrige that came to light this week.

Bentsen is chairman of the Senate Democratic Working Group on Trade Policy and ranking Democrat on the Senate Finance Subcommittee on International Trade. He complained to Reagan and Baldrige that a Commerce Dept. official in April had responded to charges that Taiwan and other foreign countries were targeting certain areas of the U.S. economy with the following observation:

"If U.S. producers are to compete successfully at home and abroad, they must adapt their production and marketing efforts to meet the economic challenge of their competition.

"In some cases, this necessitates adjustments such as the transfer of manufacturing facilities to foreign countries where production costs, primarily labor, may be less expensive."

### Policy position

In his letters, Bentsen said that the recommendation by Timothy Hauser, director of the Commerce Dept.'s Office of Multilateral Affairs, "suggests that it is government policy to actively encourage such transfers."

Bentsen wrote Reagan that the transfer of manufacturing capacity abroad "should not even be regarded benignly, let alone encouraged." He cited figures from the U.S. International Trade Commission showing that nearly 30 percent of the manufactured goods now consumed in the United States are imported.

"Transfers of manufacturing abroad are accelerating," Bentsen pointed out. "This trend is contrary to the national interest because reestablishing similar facilities in the United States in the future will be prohibitively expensive."

Hauser's recommendation that U.S. manufacturers move out of the country was contained in an Apr. 22 letter to Don Flanders, president of the Southwestern Furniture Manufacturers who also heads his own furniture making firm in Arkansas. Flanders had written Baldrige on behalf of Texas and Arkansas furniture producers that Taiwanese companies apparently were targeting the American furniture industry as an area in which they could successfully compete.

Flanders said the U.S. furniture industry is being destroyed by imports from Taiwan, which he said amounted to $290 million in 1983 and $390 million in 1984 and which are expected to total $1.2 billion this year.

Bentsen said the problem of runaway firms is one of increasing national concern and is evident in a wide variety of industries.

"This statement (by Hauser) all but announces an affirmative policy of forcing U.S. manufacturing overseas, a policy that is stupid and harmful to the national interest," Bentsen said.

# House budget called 'fairer' version

The AFL-CIO has urged a House-Senate conference committee to tilt toward the House-passed version of a congressional budget resolution because it "more adequately addresses the concerns of workers, the unemployed and the poor."

It preserves full social security benefits while maintaining "a fair balance" in defense and domestic spending reductions, AFL-CIO Legislative Director Ray Denison noted.

Denison wrote the conferees that the Senate version is superior in one area — ful funding of revenue-sharing.

Otherwise, he said, the House funding levels for a broad range of needed domestic programs "should be strongly supported over the Senate position of program elimination or severe cutbacks."

Denison expressed the AFL-CIO's regret that "Congress has not yet shown a willingness to turn to revenues from a corporate and personal minimum tax to alleviate the problem of massive deficits."



AFL-CIO Vice President Wayne Glenn testifies on corporate takeovers at House hearings with federation economist Henry Schechter, left.

# Labor hits federal loopholes as reason for bank failures

There will be more problem banks and more bank failures so long as loose federal regulations encourage financial institutions to make high-risk investments in order to compete for deposits through high interest rates, the AFL-CIO warned.

Henry B. Schechter, director of the AFL-CIO Office of Housing & Monetary Policy, expressed concern at Senate hearings that a depressed economy and heavy competitive pressures are raising the risk of a banking system crisis.

As regulation of financial institutions has been relaxed, Schechter noted, "competitive escalation of interest rates paid to depositors led to a lowering of credit standards in order to place the funds in investments that would recoup the cost of money plus a profit margin."

His testimony, before the Senate Banking, Housing & Urban Affairs Committee, noted a rise in home foreclosures and business bankruptcies in recent years. At the same time, high interest rates have contributed heavily to the overvaluation of the dollar, spurring imports that force still more U.S. firms out of business.

### Court ruling

In his Senate testimony and in a letter to a House subcommittee, Schechter welcomed a recent decision by a federal appellate court closing a regulatory loophole that had enabled banks to cross state lines to establish affiliates that would provide both non-bank and banking services.

One bill being considered by the House Subcommittee on Financial Institutions would "grandfather in" existing banking relationships that were barred by the court decision. Other bills would permit mergers and aquisitions of banks and savings institutions across state lines, or allow national banks to set up branches in other states if permitted by state law.

Schechter urged both congressional committees to reject such legislation, stressing the long-term danger of a concentration of financial power in the hands of a few large, regional banks.

He expressed concern that the federal "rescue" of the Continental Bank after it had been made insolvent by a policy of high risk loans that couldn't be repaid went beyond the deposit insurance provided by law.

The precedent of 100 percent insurance for depositors of over $100,000, Schechter said, "signalled to large depositors that they need not be concerned about the operations and soundness of a big bank and indicated to big banks that they could take high risks and be bailed out."

He urged legislation to deny "such an absolute safety net" for big investors seeking high returns.

# OSHA prodded by court to move on formaldehyde

The Auto Workers welcomed a federal appeals court's decision to require the Occupational Safety & Health Administration to move further toward issuance of a standard on formaldehyde.

The ruling, which scolded the agency for its 43 months of delay, stated that if OSHA fails to act by Oct. 1, 1985, "the court will then entertain a motion to compel OSHA to issue a standard."

The UAW and other unions had asked the court to require the agency to issue a standard on formaldehyde on an expedited basis.

"We're disappointed that OSHA has not yet placed a standard on the table and that the court did not order them to do so right now," said Dr. Frank Mirer, director of the UAW health and safety department.

### Twice refused

OSHA has twice refused to take emergency action on formaldehyde after being petitioned by the UAW and 14 other unions. As the result of a suit by the unions, the U.S. District Court for the District of Columbia had ordered OSHA to act by Apr. 15, 1985.

On the final day of the court deadline, OSHA issued an advanced notice of proposed rulemaking, the first step in a multi-year process of hearings and reviews that leads to a standard.

The unions then asked the U.S. Court of Appeals for the District of Columbia to compel OSHA to act. The court on June 3 rejected OSHA's request for dismissal of the suit and noted that during the year that the case was on remand to the lower court, OSHA had enough time "to secure substantial information relevant to a proposed standard."

The appellate court noted, "while issuance of an Advance Notice of Proposed Rulemaking instead of proceeding at once to the rulemaking stage may have some value, we cannot allow it to cause undue deferral of already much-delayed action."

## Loss of jobs, benefits

# Corporate takeovers victimize the workers

Workers and communities need protection against the destructive effects of corporate mergers and takeovers, AFL-CIO Vice President Wayne E. Glenn testified at House hearings.

Glenn, who is president of the Paperworkers, stressed the "serious effects on jobs, wages, working conditions and job security" of the takeover wars that have reached epidemic proportions in the business world.

He called for changes in tax, securities and banking laws that would remove the economic incentive for corporate takeovers. Glenn also urged Congress to act on plant closing legislation to curb the shutdowns that are frequently the byproducts of corporate raids, and for stricter antitrust enforcement.

"No matter which side wins control in a takeover battle, workers, customers and the community in which the company is located are the likely ultimate losers," Glenn noted.

### Workers pay

"Workers too often involuntarily finance the costs of the raid by job losses or pay cuts. And consumers end up paying higher prices for the company's products," he testified. Productive assets are sold off and the assets of the raided corporations are used to pay off the high costs of the raid.

Freedom of the press is threatened by concentration of ownership in the communications fields, Glenn warned. "The power of big corporations and big financial institutions is getting bigger and bigger as a result of mergers and takeovers."

Glenn cited studies showing that corporate raiders frequently treat the enterprises they acquire as "a cash cow to be milked and then discarded." Apart from the well-publicized cases involving shutdowns of manufacturing facilities employing thousands of workers, Glenn noted "the many smaller and less well-known cases where takeovers also led to lost jobs."

One such example was a takeover by the Chattanooga Glass Co. of the Glass Container Corp. in 1983, which resulted in closing of an Indiana plant employing 167 workers and a Mississippi facility with 219 workers. This year, the parent firm was itself taken over by Diamond Bathurst, which proceeded to close down a Texas plant employing 349 workers.

### Corporate raiders

Glenn noted the development of "a whole new class of raiders" financing takeover bids with borrowed funds that are then repaid by milking the assets of the acquired firms.

Sometimes, he noted, the goal is tax credits that can be used by the takeover corporation — with consequent revenue loss to the federal treasury.

Workers' pension plans are often bargaining chips in takeover manipulations, Glenn noted, and under present law "the workers' interests need not be considered." Sometimes, he said, an overfunded pension plan can make a takeover more attractive because it can be terminated and the "surplus assets" used to help pay for the takeover.

Unions and the workers they represent have a "clear, direct and obvious interest" in the impact of corporate takeovers, Glenn stressed. But neither side in the takeover battle is likely to consider the effect of their actions on jobs and communities.

Glenn outlined the AFL-CIO's proposals for:

- Changing tax laws affecting capital gains, depreciation, loss carryovers and interest deductions so as to stop subsidizing corporate mergers and takeovers.
- Curbing "greenmail" — the buyout of raiders through a guaranteed profit on the stock they acquired—by prohibiting its deduction as a business expense to the payer and as a low-taxed capital gain to the beneficiary.
- Strengthening of securities laws to protect stockholders and to bring about earlier disclosure of takeover raids.
- Barring banks and trustees from investing in "the unsound speculative instruments of the corporate raider."
- Development of mechanisms to protect the interests of workers and communities.

Apart from the direct impact, Glenn pointed out, the "merger-takeover mania" shrinks the pool of credit available for productive uses.

"The billions of dollars used to finance, as well as to fend off, takeovers is money that is not available for strengthening the national economy," he testified. "The time, effort and imagination that corporate managers devote to waging and combatting takeover battles are time, effort and imagination that are being siphoned off from the more important tasks of building better products and providing better services at a better price," Glenn stressed.

# James Leary dies at 77, retired regional director

Vancouver, Wash. — James J. Leary, who retired in 1973 as AFL-CIO director for Oregon, Washington, Idaho, Montana and Wyoming, died of a brain tumor May 31 at Vancouver Memorial Hospital. He was 77.

Leary, who came out of the Mine, Mill & Smelter Workers, also had been a member of the Steelworkers and Farm Workers. He joined the CIO staff in 1947 and was with the AFL-CIO organizing staff from 1955 until his retirement.

Leary began working in the coal mines in Butte, Mont., at the age of 16. Besides holding office with Miners Local 1, he served as secretary-treasurer of the Mine, Mill & Smelter Workers from 1940-47.

Survivors include his wife Irene and three children. A memorial service will be held at the Immaculate Conception Church in Butte on June 15.

# *Stock exchange pact beats clock*

New York — With just five minutes to spare, clerks and pages at the New York Stock Exchange reached tentative agreement with management on a new three-year collective bargaining agreement, averting a walkout by 1,300 workers.

The Stock Exchange and Security Industry Automation employees, members of Office & Professional Employees Local 153, had been without a contract since last November.

The union overwhelmingly rejected an earlier management proposal and voted 911 to 76 to strike unless agreement could be reached.

An all-night bargaining session ended with the tentative setlement at 7:55 a.m., just minutes before the exchange was scheduled to open.

Local 153 Sec.-Treas. Michael Goodwin said job security was a key issue in the dispute, because the exchange had announced plans to phase out nearly 300 jobs over the next three years. The tentative settlement would give workers with more than 10 years of service greater job protection while implementing reduced work weeks instead of layoffs for employees with less seniority.

### Pact provisions

Other provisions of the agreement include:

- A 21.5-percent wage and benefit package retroactive to November 1984, including a 5-percent yearly wage increase.
- Eligibility for early retirement at age 55 with 75 percent of benefits.
- Increased severance pay and improvements in pensions.

The settlement would raise the top weekly rate for transactions reporters to $650 by November 1986. It also includes a recall provision, giving hiring priority to laid-off workers and provides time and one-half pay for clerical workers after a 35-hour workweek.

The agreement will be submitted to the local's membership for ratification, this time with approval recommended by the bargaining committee.

The union's strike deadline had been extended twice at the request of Federal Mediator Rosemary LeBoeuf who called the two sides to the late-night bargaining session. The walkout would have been the first at the exchange since 1948.

# Pilots reach settlement in airline strike

**Continued from Page 1**

to approve or reject the settlement. Rank-and-file members do not have to vote on it.

ALPA stressed that it will not go back to work until the Flight Atendants reach an acceptable back-to-work agreement with the carrier. More than 90 percent of United's attendants have stayed off the job during the strike.

Members of the Machinists remained on the job to comply with a no-strike clause in their contract.

John Zeeman, United's executive vice president for marketing, indicated that it might take the airline three to four weeks after approval of the settlement to return to normal. United has been operating only about 14 percent of its normal 1,550 daily flights during the strike.

### Sticking point

Until talks deteriorated and broke down over a back-to-work agreement, the main sticking point in the negotiations was United's demand for a two-tier pay scale under which newly hired pilots would receive about 40 percent less than levels provided in the old contract.

Initially, United wanted the two-tier system to run for 20 years. The pay issue was tentatively resolved when the parties agreed on a two-level scale that would last for five years, after which the issue would be submitted to binding arbitration.

The pilots, who had previously agreed to defer a 6-percent wage increase in exchange for a reduced number of flying hours, also improved their vacation schedule and reached agreement on other issues. The old contract expired in April 1984, but ALPA was not free to strike until May 17 under terms of the Railway Labor Act, which governs labor relations in both the airline and railway industries.




## Hands off social security

At a Capitol Hill rally, National Council of Senior Citizens President Jacob Clayman assails Administration-backed effort to deny social security recipients their cost-of-living adjustment and urges House conferees to hold fast against the Senate-passed cutback. More than 3,000 delegates to the NCSC legislative conference joined in the rally before they fanned out to lobby their congressmen and senators to prevent weakening of social security.

# Unemployment rate remains at 7.3% as decline in factory jobs continues

**By James M. Shevis**

Unemployment remained a major problem in May as the official jobless rate hung on at a high 7.3 percent for the fourth month in a row.

While that stagnation was bad enough, there were other concerns raised by the government's monthly report on employment and unemployment.

For one, manufacturing employment fell by 28,000 in May, the fifth straight monthly decline. The Bureau of Labor Statistics said that already this year some 163,000 manufacturing jobs have been lost.

Also, the number of Americans holding part-time jobs because they were unable to find full-time work shot up by 250,000 to 5.9 million, the highest level in more than a year.

BLS Commissioner Janet L. Norwood told the congressional Joint Economic Committee that as of March the nation's economy had lost 2.3-million factory jobs since March 1979.

And during the 30 months of fragile recovery from the Reagan Recession, the manufacturing sector has regained only 60 percent of the jobs that were lost during that two-year downturn, she said.

### Hard-hit industries

In fact, Norwood told the panel, "six industries—steel, tobacco, textiles, chemicals, petroleum and coal products, and leather manufacturing—have employment levels that are below the levels at the trough of the recession."

What growth in jobs there has been has been almost entirely in the service sector. Norwood pointed out that since May of last year, nearly nine of every 10 new jobs have been in services.

The monthly payroll survey showed that nonfarm employment rose by 345,000 to 97.5 million in May, with virtually all the gain occurring in the services sector. About 111,000 of the new jobs were in health or business-related fields, BLS said.

However, the BLS survey of households which provides the basis for the unemployment rate showed almost no change in employment during the month, with the total number of jobholders at a seasonally adjusted total of 107 million

Officially, there were 8.4 million unemployed last month in a total workforce of 115.3 million.

But the Full Employment Action Council, a coalition of religious, labor, civil rights, rural, youth and other groups, estimated there were "well over 15 million" Americans affected by unemployment in May, and said the true national jobless rate was 13.4 percent. The FEAC's figures include both the underemployed and the so-called discouraged workers—those who have stopped looking for work because they think there are no jobs for them. At the end of March, there were 1.3 million discouraged workers.

In a study of the states hardest hit by unemployment, the coalition pointed to the unevenness of the recovery, noting that since 1979 the nation has witnessed a redistribution of the unemployment burden.

### Benefits lacking

To make matters worse, the FEAC said, fewer than half the officially unemployed from the 10 hardest-hit states collect unemployment insurance benefits. The 10 are West Virginia, Louisiana, Oregon, Alabama, Mississippi, Alaska, Michigan, Indiana, Ohio, and Idaho.

In a report on unemployment insurance benefits, the Labor Dept. said only 2.5 million people were collecting such benefits in the week ended May 18, a drop of 41,000 from the previous week.

The weakest manufacturing industries in May were apparel and textiles and electrical equipment. Construction employment, on the other hand, was up 30,000 after seasonal adjustment to 4.7 million.

# Senate vote on Davis-Bacon

*The Senate voted to exempt most military construction contracts from Davis-Bacon Act prevailing wage requirements, and to otherwise weaken labor standards on military contracts.*

*The key vote came on a labor-supported amendment by Sen. Edward M. Kennedy (D-Mass.) to restore full Davis-Bacon Act coverage. It lost on a 49-49 tie vote. As the AFL-CIO sees it, the vote clearly separated senators voting for and against the interest of workers.*

### FOR LABOR'S POSITION

**Democrats 37**

| | | | |
|---|---|---|---|
| Baucus (Mont.) | Eagleton (Mo.) | Kerry (Mass.) | Moynihan (N.Y.) |
| Biden (Del.) | Ford (Ky.) | Lautenberg (N.J.) | Pell (R.I.) |
| Bingaman (N.M.) | Glenn (Ohio) | Leahy (Vt.) | Proxmire (Wis.) |
| Bradley (N.J.) | Gore (Tenn.) | Levin (Mich.) | Riegle (Mich.) |
| Burdick (N.D.) | Harkin (Iowa) | Long (La.) | Rockefeller (W.Va.) |
| Byrd (W.Va.) | Hart (Colo.) | Matsunaga (Hawaii) | Sarbanes (Md.) |
| Chiles (Fla.) | Heflin (Ala.) | Melcher (Mont.) | Sasser (Tenn.) |
| Cranston (Calif.) | Inouye (Hawaii) | Metzenbaum (Ohio) | Simon (Ill.) |
| Dixon (Ill.) | Kennedy (Mass.) | Mitchell (Me.) | Stennis (Miss.) |
| Dodd (Conn.) | | | |

**Republicans 12**

| | | | |
|---|---|---|---|
| Andrews (N.D.) | Durenberger (Minn.) | Murkowski (Alaska) | Stafford (Vt.) |
| D'Amato (N.Y.) | Heinz (Pa.) | Packwood (Ore.) | Stevens (Alaska) |
| Danforth (Mo.) | Mathias (Md.) | Specter (Pa.) | Weicker (Conn.) |

### AGAINST LABOR'S POSITION

**Democrats 10**

| | | | |
|---|---|---|---|
| Bentsen (Tex.) | DeConcini (Ariz.) | Johnston (La.) | Pryor (Ark.) |
| Boren (Okla.) | Exon (Neb.) | Nunn (Ga.) | Zorinsky (Neb.) |
| Bumpers (Ark.) | Hollings (S.C.) | | |

**Republicans 39**

| | | | |
|---|---|---|---|
| Abdnor (S.D.) | Garn (Utah) | Humphrey (N.H.) | Roth (Del.) |
| Armstrong (Colo.) | Goldwater (Ariz.) | Kassebaum (Kan.) | Rudman (N.H.) |
| Boschwitz (Minn.) | Gorton (Wash.) | Kasten (Wis.) | Simpson (Wyo.) |
| Chafee (R.I.) | Gramm (Tex.) | Laxalt (Nev.) | Symms (Idaho) |
| Cochran (Miss.) | Grassley (Iowa) | Lugar (Ind.) | Thurmond (S.C.) |
| Cohen (Me.) | Hatch (Utah) | Mattingly (Ga.) | Trible (Va.) |
| Denton (Ala.) | Hatfield (Ore.) | McClure (Idaho) | Wallop (Wyo.) |
| Dole (Kan.) | Hawkins (Fla.) | McConnell (Ky.) | Warner (Va.) |
| Domenici (N.M.) | Hecht (Nev.) | Nickles (Okla.) | Wilson (Calif.) |
| Evans (Wash.) | Helms (N.C.) | Quayle (Ind.) | |

**Absent: East (R-N.C.); Pressler (R-S.D.)**

# *NLRB lets employer renege on pact's missing union bug*

A split National Labor Relations Board let a Kansas City power company off the hook from using a union bug on its collective bargaining contract with the Electrical Workers even though management had agreed during negotiations to keep the label.

On top of that, the 2-1 NLRB ruling held IBEW Local 1464 committed an unfair labor practice by refusing to sign the 1980 agreement with Kansas City Power & Light Co. because of the missing bug.

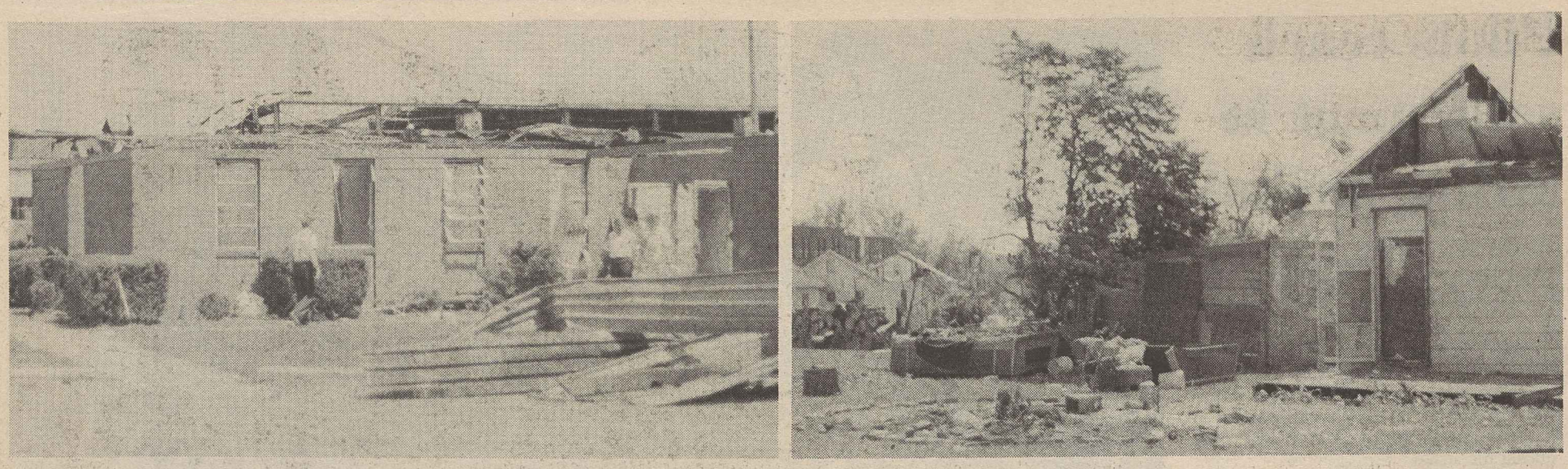
Board Chairman Donald L. Dotson and Member Robert P. Hunter insisted in the majority ruling that "the inclusion of the union bug on the final printed version of the contract was not a matter involving the relationship between employees and the employer."

Their decision was based on an opinion by NLRB General Counsel Rosemary Collyer.

"While the presence of the union bug . . . may have a symbolic value for the (union), it nevertheless constituted at most a peripheral concern, something akin to a ministerial matter, rather than a material aspect of the collective bargaining relationship," the majority said.

Member Patricia Diaz Dennis dissented, pointing out that the final contract failed to carry all the agreed-to terms. "A party is not free in negotiations to agree to permissive subjects, delete the permissive subjects from the written agreement, and then compel the other party to sign the inaccurate written agreement on pain of violating" federal labor law, Dennis noted.

Earlier, an NLRB administrative law judge had recommended that the power company's complaint against the union be thrown out. "No matter how trivial the (NLRB) general counsel and the employer view the bug, the union should not be forced to forfeit what it secured during negotiations," wrote ALJ Jay Pollack.



Tornado aftermath in Ohio: Steelworkers Local 1338 union hall in Niles and demolished homes in Newton Falls.

# *Volunteers assist tornado victims in three states*

**By Candice Johnson**

Union members are pitching in to console families, serve meals and restore communities ravaged by tornadoes in Pennsylvania, Ohio and New York. At least 93 people were killed and 600 injured by the violent storms in late May that hopscotched through parts of the three states before slamming into Ontario.

In Pennsylvania, the storm cut a swath across a seven-county area just north of Pittsburgh before moving toward Lake Erie. Relief efforts in the Beaver Valley area began immediately, said Joseph Spanik of the Beaver County United Way labor liaison and a member of Laborers Local 833.

"Saturday morning, we went into action," with relief workers searching for missing persons, clearing away debris and providing housing and medical care for tornado victims, he said. Members of Electrical Workers Local 712 joined in the clean up effort, along with building trades members from nearby Allegheny County. Nearly 2,000 volunteers turned out, with crews working 16 to 18 hours a day. Relief efforts are continuing, with the National Guard and the Salvation Army distributing food and clothing, while Red Cross volunteers make home visits and provide medical care.

## Quick response

As the storm moved on, union members in Pennsylvania's northwestern corner also responded quickly to the call for help. Within one hour of the storm's explosion, members of Laborers Local 603 were in the field, working with chainsaws to clear roads while heavy equipment operators set out to rescue victims still trapped by debris. Gene Adams, United Way Community Services liaison representative, said 720 volunteers were working in the six-county area, and in the towns of Albion, Wheatland and Atlantic, hardest hit by the storm. Steelworkers, Electronics Workers, Sheet Metal Workers and Teamsters all joined in the clean up effort, and apprentices and retirees from the Northwestern Council of Carpenters pledged to rebuild the demolished homes of families not having insurance coverage.

National Red Cross staff in the Erie area are coordinating relief efforts and have set up seven service centers, 14 food preparation centers and 10 feeding centers, where 36,155 meals have been served since June 1.

Pennsylvania residents suffered not only the loss of their homes and property, but many lost their jobs as well. In Wheatland, a town of 1,200 people, tornadoes destroyed 95 percent of the town's industries.

Adams said more than $355,500 had been donated to the Red Cross disaster relief fund, through union fund-raising drives at plant gates and other contributions. AFL-CIO Community Services Director Frank Emig has urged local unions to channel their contributions to the Red Cross through the three state federations.

Rescue teams in northeastern Ohio—where the tornadoes first touched down—also came from the ranks of organized labor, said Beth Curley of the Communications Workers, who is a Red Cross labor liaison representative in Warren. Red Cross and labor volunteers immediately went to work aiding disaster victims, with teachers stationed at service centers and operating engineers clearing away rubble.

Ray Reber, a furloughed steelworker opened a food kitchen while other members of USWA Local 1375 organized clean up crews.

## Heavy damage

Curley estimated the cost of the Red Cross operation would be nearly $500,000 in Ohio alone. Local drives have raised $421,000 to date to offset the estimated $60 million worth of damage across the state. The tornadoes in Ohio killed 13 people and injured another 248. More than 400 people lost their homes.

Residents of the Jamestown, N.Y., area were more fortunate. Four homes there were destroyed and several more damaged, but no deaths were reported.



UFCW organizer Jeanine Meyer and Plaid Pantry clerk Douglas Duncan.

# UFCW drive in Northwest organizes convenience stores

Portland—Plaid Pantry, a chain of 123 convenience stores in Oregon and Washington, is going union.

The Food & Commercial Workers describe the development as one of the largest convenience store organizing victories in the nation.

The campaign got its impetus in the Portland metropolitan area where UFCW Local 1092 won collective bargaining rights in a National Labor Relations Board election for some 450 clerks employed at 104 Plaid Pantry outlets.

And now the union is on a roll. It subsequently organized nearly 20 more stores in Salem, Ore, and Vancouver, Wash.

Local 1092 President Mike Herford termed the successful organizing drive "a great victory for us and organized labor" throughout the Northwest.

Because of a high turnover rate at Plaid Pantry, only 262 workers were eligible to vote in the NLRB election here even though all 450 employees in Multnomah, Clackamas, Washington and Yamhill counties will be represented. Some 200 workers were terminated from the time the UFCW filed for the election until the day it was held two months later, Local 1092 organizer Jeanine Meyer noted.

One of the major concerns of workers in the new bargaining units is low wages, Meyer said. Clerks are paid only $3.50 an hour and workers in charge of stores get $4.20. They get few benefits, no premium pay for working off-hours and work six- to nine-hour shifts without a break.

Plaid Pantry owner John Piacentini, a former Local 1092 member and now a millinonaire, had pledged to bargain in good faith with the union, but hired a management consulting firm to deal with union negotiators. And despite an earlier pledge to recognize the union, Piacentini has filed objections to the Portland organizing victory.

Plaid Pantry stores reportedly gross between $80 million and $100 million a year.

# GOP takeover in California curbs Farm Worker gains

Sacramento, Calif.—A new report on the effectiveness of California's nine-year-old Agricultural Labor Relations Board shows that while unions generally have fared well under the state's pioneering farm labor law their success rate has declined under Republican Gov. George Deukmejian.

While unions won 71 percent of the 1,010 worker representation elections held since 1975, the rate of victory has fallen off since 1978, the report by California Auditor General Thomas W. Hayes reveals.

In the first three years of the law's implementation, unions won 74 percent of the elections. Since then, however, the union victory rate has averaged 64 percent and in the year beginning July 1, 1983 the rate fell to 48.5 percent, the lowest yet.

The report also found that the number of unfair labor practice charges brought as complaints by the board's general counsel has declined since David Stirling was named to the post in 1983.

Stirling's critics, headed by the Farm Workers, charge that he is not enforcing the law. ALRB Member Jerome Waldie, an appointee of former Gov. Jerry Brown, renewed that charge at a May 30 hearing on the report before the Joint Legislative Audit Committee. Waldie and the UFW accuse Stirling of favoring growers in enforcement policies.

From 1975 to 1982, the general counsel's office issued an average 141 complaints a year, the report showed. In the two years since July 1, 1982, the number of complaints averaged 75 a year.

In addition, the percentage of charges received by the board that were incorporated into complaints against employers has dropped sharply from 60.4 percent in fiscal year 1975-76 to 25.3 percent in the previous fiscal year.

The report said that the ALRB received and processed 8,545 unfair labor practice charges in the first nine years of the law. Of that number, 88 percent were filed against employers, usually charging coercion of workers, discrimination against workers for union activities, refusal to bargain, and denial of access to grower property.

## Employer charges

Of the 12 percent of charges against unions, most charged coercion of employees, illegal picketing, and bad faith bargaining.

The auditor general's report noted that 61 percent of the unfair labor practice charges were resolved without litigation, compared with over 90 percent of such charges resolved without lawsuit under the National Labor Relations Act.

Similarly, a high percentage of ALRB decisions are appealed to the courts, the report showed. Of 506 decisions by ALRB administrative law judges since 1975, 442 were appealed to the full board. Of that number, 335 upheld the administrative law judge at least in part. Among those 335 decisions, 224 were appealed to the courts.

# Public support for unions gaining

**Continued from Page 1**

percent rates of approval. Those surveyed who had attended but not completed college gave unions a 53-percent vote of support. The poll found that along racial lines, 74 percent of blacks favored unions compared to 55 percent of whites.

The lowest regional approval came from the South where 51 percent favored unions. This compares to 63 percent support in the Midwest, 60 percent in the East and 59 percent in the West.

The survey was taken among 1,525 adults in more than 300 scientifically selected communities, according to Gallup, and the sampling has an accuracy rating of 95 percent with an error of three percentage points in either direction.

# EDITORIALS

## Reforming the Reforms

THE TAX HEARINGS being held by congressional committees are serving a most useful purpose, somewhat to the surprise of the more jaded observers of the Washington scene.

Few issues are more complex, and most Americans probably welcomed the Administration's assurance that its tax reform package would make the system simpler, fairer, and allow a cut in the federal income tax for nearly everyone without adding further to the huge federal deficit.

Even those who regretted that tax reform was not being used to reduce the deficit were prepared to welcome what appeared to be a move to shift some of the tax burden from low- and middle-income households to corporations that have long escaped any meaningful contribution to federal revenues. That was the most positive aspect of the tax package the Treasury Dept. put together last November.

There are still some elements of the final White House version to applaud. But thanks in part to the congressional hearing process, Americans and their representatives in Congress are learning about the pitfalls and booby traps.

Some of the most welcome reforms, it turns out, have been dropped—a tribute to the political clout of the oil and gas industry, among others.

TO THE labor movement, the test of tax fairness is that persons whose income is from paychecks should not be taxed at higher rates than those whose money comes from investment profits. Unfortunately, under the President's "reform," unearned income would continue to be given preference over earned income.

And, inexplicably, the relatively modest steps toward shortening the list of tax avoidance measures available to corporations would be linked to a revenue-losing reduction in the corporate tax rate.

Because of the incomplete nature of the reform elements, the Administration has proposed some enormously damaging changes to offset the revenue loss from a reduction in the top rates of the federal income tax. The result, whether intended or not, would further harm America's workers and gravely diminish the ability of states and cities to provide essential services.

What can be said of a proposal to place an additional tax on every worker whose employer provides a health insurance plan—now an almost universal job benefit necessitated by the absence of a comprehensive national health care system?

How can an Administration which has argued that many of the services provided by the national government be made the responsibility of cities and states then turn around and seek to erode the local and state tax base?

What twisted reasoning can motivate a proposal to re-establish the "marriage penalty" and thus revoke one of the very few genuine tax reforms of recent years?

These are some of the questions that have been raised at congressional hearings, and not just by unions. Let us hope that the committee members were listening.

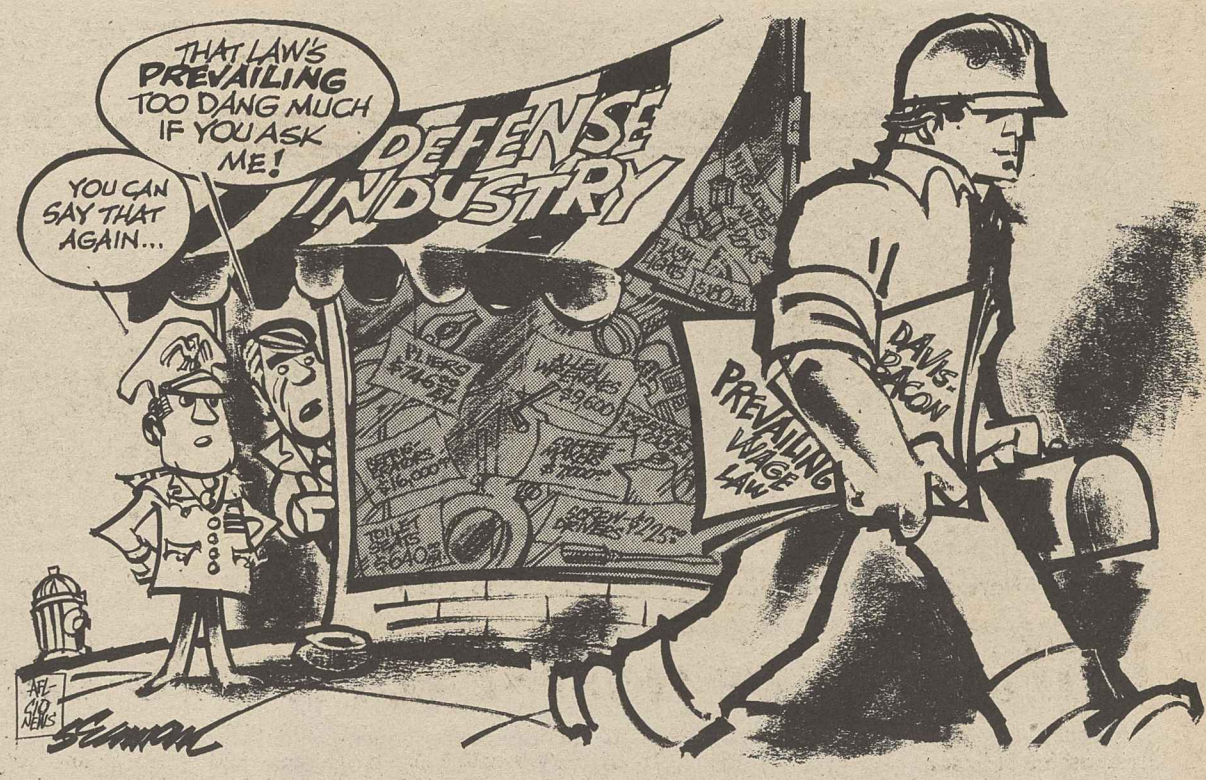
IT WAS THE trade union movement, however, that pointed up most effectively the bottom-line result of the Administration tax package on people in a variety of economic circumstances.

Twenty-five percent of the reduction in individual taxes will go to the one-half of 1 percent of people with incomes over $200,000 a year. Their windfalls will average $10,000 each.

But what of working Americans, especially those in two-earner families with child care expenses?

The Communications Workers did a sampling of real live people, union members who earn paychecks and pay taxes. It found, and reported to the House Ways & Means Committee, that eight out of 11 such workers would end up paying more in taxes under the Administration proposal than at present.

There is no reason to abandon the search for tax reform or to scrap the positive features of the Administration's plan because of such glaring deficiencies. But there is every reason to reshape and improve on what the President has sent to Congress.




**Washington Window**

# Children chief casualties in losing war on poverty

**By Press Associates, Inc.**

When photographers cover a war, their favorite subjects to illustrate suffering are children.

The innocence and helplessness of children make them the saddest victims of any war. That is why the United States must understand its children are the victims in a war the nation is losing.

"Children in Poverty," a report prepared for the House Ways & Means Committee by the Congressional Research Service and the Congressional Budget Office, is a documentation of the nation's apparent evacuation of its efforts to end poverty. The report's statistics, culled from Census Bureau data, present a grim outlook:

- After the Johnson Administration declared its "War on Poverty," the child poverty rate was cut in half to a record low of 13.8 children per 100 in 1969. By 1983, the child poverty rate had climbed back 60 percent above its 1969 low.
- In 1983, 13.8 million children were classified as officially poor, with more than one in five children living in poverty.
- While children represented less than 27 percent of the overall population in 1983, they comprised almost 40 percent of the 35.3 million poor.
- The number of poor children increased by 3 million from 1968 to 1983, even though the total population of children fell by 9 million.

### Familiar factors

Most of the factors associated with poor children were familiar: race, family composition and education and age. For example, almost half of all black children are poor; one-third of all Hispanic children are poor, and one-sixth of all white children are poor.

More than half—55.4 percent—of the children in female-headed families were poor in 1983. A child is four times as likely to be poor if living in a female-headed family than a male-headed family because "women in general have lower rates of labor force participation, command lower wages than men and have fewer assets than do men," the report said.

Adding in age and education, the report draws a composite contrast of poverty. The poverty rate for children of white, married couples whose father is at least 30 years old and a high school graduate is 6.5 percent. For children in black, single, female-headed families where the mother is under 30 and did not complete high school, the poverty rate is 92.8 percent.

### Rebutting program cutters

Among other conclusions by the agencies that contradict arguments neoconservatives propound for cutting social programs:

- Whether poverty is measured before or after government transfer payments and whether the income counted includes or excludes non-cash benefits and money paid as taxes, child poverty rates rose especially sharply from 1979 to 1983.
- Although overall federal spending for income security programs rose 83 percent in constant dollars from 1973 to 1983, federal spending for social insurance and cash welfare benefits to poor children declined by some 6 percent over the period. Total available cash and food stamp benefits fell by 20 percent from 1976 to 1983.

Among policy options for reducing child poverty explored in the report are increasing Aid to Families with Dependent Children and food stamp benefits; expanding AFDC benefits to poor two-parent families, instead of single-parent families only, and expanding Medicaid and the supplemental food program for women, infants and children.

The effort would not be cheap. Legislation introduced by Representatives Harold E. Ford (D-Tenn.) and Charles B. Rangel (D-N.Y.) and Sen. Daniel P. Moynihan (D-N.Y.) incorporates several of these options at an estimated first-year cost of $5 billion to $6 billion.

But the alternative, as the report demonstrates, is to condemn a growing number of America's children to poverty.

AFL-CIO news

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## Message from constituents

Workers in St. Louis don't like Rep. Richard A. Gephardt's proposal to tax their employer-paid health insurance and related benefits. At a Capitol Hill meeting, Executive Sec. William Steinke of the St. Louis Newspaper Guild, left, hands Gephardt a petition with more than 3,000 signatures protesting the unfair tax measure. Steinke told the Missouri Democrat that he couldn't find one person in Gephardt's 3rd Congressional District that supported the congressman's anti-worker position.

# Legislation pressed to block plundering of pension funds

**Continued from Page 1**

fully workers' money to other uses," Seidman charged.

"A pension plan is not a conditional or discretionary gift by the employer," he stressed. "Rather it represents current wages withheld to pay a benefit on retirement. The amounts contributed by the employer to the fund should, therefore, be an irrevocable payment which the employer cannot withhold or recapture, just as an employer cannot withhold or recapture cash wage payments."

Hearings on the issue were held jointly by the Subcommittee on Labor-Management Relations, chaired by Rep. William L. Clay (D-Mo.), and the Select Committee on Aging, whose chairman, Rep. Edward R. Roybal (D-Calif.), has sponsored a bill to deal with the problem.

Roybal's bill, with some modification, "would effectively deal with the abuses" that have arisen, Seidman said. A principal feature would be the requirement for a business necessity test before an "overfunded" plan can be terminated so that the employer can recover excess assets. It includes a number of safeguards to protect workers and retirees.

Seidman noted that defined benefit plans which are terminated are often replaced by defined contribution plans, which the AFL-CIO considers generally inferior and more risky for workers.

Because of the complexity of the issue, Seidman acknowledged, it may take some time for Congress to shape legislation that would be broadly acceptable. And while the AFL-CIO favors the approach of the Roybal bill, "we are willing to work with all interested parties to design acceptable solutions and legislation."

In the interim, he urged a temporary moratorium on processing of pension plan terminations intended for the recapture of assets. Without such a moratorium, he warned, "the wave of terminations will continue as unscrupulous employers attempt to grab pension assets before Congress acts."

## Geneva parley opens

# Soviets opposed in bid to undercut ILO rules

Geneva — American worker, employer and government delegations to this year's conference of the International Labor Organization are joining forces to defeat new Soviet-bloc attempts to undermine the United Nations specialized agency.

AFL-CIO International Affairs Director Irving J. Brown, who heads the U.S. worker delegation, said the conference will "certainly be hearing a lot of rhetoric" from the Soviets and other East European delegates.

"But I believe we have the votes," Brown said. For one thing, he pointed out, there is no debate this year on the Arab-Israeli dispute. And that means that Arab countries, which have always been able to count on East bloc votes, do not feel any obligation this year to back Moscow.

The conference began on June 7 and is scheduled to conclude on June 27. AFL-CIO President Lane Kirkland was due to join the U.S. worker delegation at the end of the first week, which was devoted largely to opening statements, selection of officers and determining which of numerous proposed resolutions should receive priority.

One ILO official suggested that it was possible, "indeed, quite probable, that the East bloc draft resolution on structural reforms will not even get through the resolutions committee."

### Soviet charges

The Soviet bloc charges that the ILO is "pro-Western," is "anti-socialist" and "discriminates against socialist countries both in its decisions and its employment of nationals from socialist countries."

ILO Director Gen. Francis Blanchard denied all these accusations in a formal published reply.

What the Soviet bloc wants above all is a change in ILO supervisory machinery —in effect, the introduction of a double standard in monitoring the compliance of member nations with ILO conventions and standards on workers' rights and trade union freedoms. Moscow and its allies say there should be less rigid application of ILO standards in their countries because of their "difference and economic and social systems."

Blanchard, in his letter, flatly declared that ILO standards must be applied equally to all member countries.

The communist countries did not push for any vote on the issue during the Governing Body session that preceded the full conference of the 151-member countries.

East bloc warnings of unspecified "action" if the ILO's committee on application of standards continues to castigate communist states for violating rules on workers' freedoms are not taken seriously by most other members or by the ILO itself.

### Small sanction

The "economic sanctions" that Soviet delegate Leonid Kostin has been talking about involve only small sums of money paid toward ILO field projects.

Brown noted that the East bloc, while criticizing the ILO for alleged anti-socialist bias, at the same time is making full use of the organization's machinery to attack Western nations.

Actual business of this year's conference centers on occupational health and safety, including safety in the use of asbestos, and equal opportunities and treatment for men and women workers.

Besides Brown and Kirkland, the U.S. worker delegation includes James E. Baker, the AFL-CIO European representative; Federation Vice Presidents John T. Joyce, president of the Bricklayers, and John J. Sweeney, president of the Service Employees; Gen. Counsel Laurence S. Gold; Economic Research Director Rudy Oswald; Margaret M. Seminario, associate director of the Dept. of Occupational Safety, Health & Social Security; Steelworkers Vice President Leon Lynch; Eugenia Kemble, director of the Free Trade Union Institute; Patrick J. O'Farrell, executive director of the African-American Labor Center, and Atty Edward J. Hickey, Jr.

The American government sent a 17-member delegation headed by Under Sec. of Labor Robert W. Searby. American employers have a 10-member group at the conference, led by Charles H. Smith, Jr., chairman of Seico Industries Inc.

# *Kirkland calls for renewed 'spirit of solidarity'*

Nashville — AFL-CIO President Lane Kirkland warned that labor must not confuse confidence with complacency in the current confrontation with change in this country, but must "summon up, from every level of our movement, that spirit of solidarity" needed to overcome the obstacles.

"Our movement today is challenged on virtually every front — political, organizing, and economic," Kirkland told local and state labor leaders at regional conferences here and in Indianapolis.

"There are powerful forces in this country that want labor's mission confined to collective bargaining, at most. They want us to retreat from the political arena, leaving that field exclusively to them," he said.

### Determined

"The champions of special privilege and the foes of human progress cannot beat us for long unless we quit, and we do not propose to present them with such a cheap and easy victory. We are not going to quit—not today, not tomorrow and not ever."

Kirkland told the trade unionists who gathered at the main conferences here and in Indianapolis as well as those at satellite meetings in other communities in the regions that state federations and city central bodies must be brought up to their maximum effectiveness.

"And we must involve our members more actively in the trade union mission."

The regional conferences, which began in March, were designed to encourage that involvement. The Nashville conference drew members from South and North Carolina, Alabama, Florida, Georgia, Kentucky, Mississippi, Tennessee, and West Virginia. Smaller meetings were held in Memphis and the Florence-Sheffield-Muscle Shoals, Ala., areas and in Chattanooga and Knoxville, Tenn.

The Indianapolis sessions attracted participants from Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin, with satellite meetings in Danville, Decatur, and Peoria, Ill., Dayton and Columbus, Ohio, and Richmond, Ind.

This year's round of conferences winds up July 13-14 in Tulsa, Okla., where delegates will be drawn from Arkansas, Kansas, Louisiana, Missouri, Nebraska, Oklahoma and Texas.

In his remarks to the plenary sessions of the conferences, Kirkland stressed labor's role as the "main line of defense for the plain people of this country."

The rich can take care of themselves, he said — "and they do that exceedingly well" — but labor's mission "is to make sure that those who don't have enough power are not kicked around by those who have too much."

### Lingering recession

Asked at a news conference whether the nation could lapse into another recession this year, Kirkland pointed out that it "never, in our view, recovered from the last recession" of 1981-83.

"A lot of people have done very well in this so-called recovery. A lot of people have gotten rich," he said. "Other people have suffered and continue to suffer. At the alleged peak of a recovery, we still have almost 7.5 percent of the people unemployed and we have hundreds of thousands that have been unemployed for very long periods of time. I don't call that prosperity."

One of the biggest problems facing the country, he said, is the steady erosion of its manufacturing sector. "And the policies of the Reagan Administration have contributed heavily to that," he said.

"This Administration has borrowed three quarters of a trillion dollars at very high rates of interest in order to give rich people extraordinary tax cuts, to put through a tax bill heavily loaded to the side of the most fortunate people in our society.

"At the same time, they have used that deficit which they created to dismantle the constructive and necessary role of the federal government in a modern society," he said.

# Trojan/Dante luggage strikers pledged full support

Memphis — South of downtown Memphis, not far from the levee along the Mississippi, striking members of Furniture Workers Local 282 are battling to preserve their modest pay and benefits scale.

These employees of Trojan/Dante Luggage Co. are fighting against the nefarious effects of so-called free trade as well as the "greed" of their bosses, as AFL-CIO President Lane Kirkland put it.

Kirkland visited the picket line during a side trip from the Nashville regional conference and pledged the federation's full support to the strikers.

Surrounded by Local 282 members, he announced that the Trojan/Dante company had been placed on the AFL-CIO's "unfair" list. He was accompanied by Lowell Daily, secretary-treasurer of the Furniture Workers.

The company produces luggage under the brand names Hampton, Vagabond, Newport, Nassau, Going to Grandma's, Monterey, Aspen, Magnum, Biscayne, Executive Briefs and Dante.

A few years ago, Trojan employed 700 Furniture Workers to make its line of luggage here. Now, only 64 workers are employed assembling luggage from imported components.

This use of cheap overseas labor enabled the company to make substantial profits and to reward the factory boss with a salary increase from $51,000 to $148,000 a year.

Still, when Local 282 President Willie Rudd sat down to negotiate a new contract last winter, management insisted on a wage freeze and a giveback that would require workers to pay from $45 to $65 a month for medical insurance. The workers earn an average of $4.96 an hour.

AFL-CIO news

VOL. 30, NO. 25
SATURDAY
JUNE 22, 1985

**LEGISLATIVE ALERT!**
PAGE 8



## From the grassroots

Hundreds of senior citizens gather at the Capitol for intense and determined lobbying to make sure their social security benefits are not frozen, as the Senate-passed budget demands. The delegation from the National Council of Senior Citizens legislative conference voiced strong support for the House-passed budget that will keep their benefits intact. (Story, Page 4.)

# Rights unit rejects pay equity concept in sex bias claims

The Equal Employment Opportunity Commission followed the Reagan Administration policy line and refused to act on sex discrimination complaints that charge employers with using a double standard to set pay for jobs held primarily by men and by women.

Its decision was criticized by the AFL-CIO, which reiterated labor's commitment to pay equity and pledged a continued effort "through collective bargaining, legislation and legal action."

By the EEOC's reasoning, an employer would virtually have to confess to illegal sex discrimination for the government to require remedial action.

EEOC Chairman Clarence Thomas told a news conference that the commission found no basis in law for inferring sex discrimination because of pay differences in jobs that require comparable levels of skill, effort and responsibility.

The EEOC can act only in the event of "straightforward discrimination," Thomas insisted. He gave as an example of such discrimination a case where an employer "admits the jobs are equal" as the result of a job evaluation but continues to differentiate in pay on the basis of sex.

The EEOC policy statement reflected the position taken two months earlier by a majority of the Civil Rights Commission—another agency whose policies have been reshaped by Reagan appointees.

### Growing backlog

A backlog of EEOC cases involving sex discrimination complaints had grown to 250, many of them brought by unions, while the agency pondered the language it should use in disavowing any cause for federal intervention.

Two unions that have been especially active in pressing pay equity issues under the Civil Rights Act's ban on sex discrimination sharply criticized the EEOC's position.

State, County & Municipal Employees President Gerald W. McEntee said the EEOC explanation "stood logic on its head." Under the Reagan Administration, he said, it has been transformed from "a catalyst for change in efforts to remove bias from the nation's wage scales" into a focal point of opposition to pay equity—the "issue of the 1980s."

Service Employees President John J. Sweeney said the 1964 Civil Rights Act made sex-based wage discrimination clearly illegal, and a 1981 Supreme Court decision—known as the Gunther case—established that illegal discrimination could exist even if the jobs held by men and women were not the same under the more rigid standards of the subsequently enacted Equal Pay Act.

The case the EEOC chose as the vehicle for a policy statement had been brought by AFSCME and involved a claim that a local housing agency paid lower rates to women in jobs requiring "equal or more skill, effort and responsibility" than higher-paid jobs held largely by men.

In rejecting the claim of sex bias in the setting of pay rates, the EEOC stressed its unwillingness to interfere with the marketplace valuation of the worth of a job. Illegal sex discrimination can't be proven

**Continued on Page 4**

# *3 executives convicted for murder of worker*

Chicago—Three former executives of a silver recovery firm here were found guilty of murder in a landmark trial stemming from the death of a worker who inhaled fumes from open vats of cyanide at the plant.

That plant, owned by Film Recovery Systems Corp., had been visited by an inspector from the Occupational Safety & Health Administration just two and a half months earlier. Due to a "records check" policy adopted by the Reagan Administration in October 1981, the OSHA compliance officer was prevented from physically inspecting the workplace. His review of company records showed little time lost to on-the-job injuries.

### Reckless conduct

Those found guilty are Steven J. O'Neil, president of the now defunct firm in Elk Grove Village, north of Chicago; Charles Kirschbaum, the plant manager, and Daniel Rodriguez, the plant foreman. The three were convicted also on 14 counts each of reckless conduct stemming from injuries to other workers at the plant.

Cook County State's Atty. Richard Daley, whose office prosecuted the case, called the plant the world's largest gas chamber. It contained 140 open vats of cyanide solution.

Judge Ronald J. P. Banks, who presided over the eight-day, nonjury trial at the Cook County Circuit Court, found the three men guilty in the death of a 61-year-old Polish immigrant, Stefan Golab, on Feb. 10, 1983. Golab, according to prosecutors, inhaled a lethal dose of cyanide fumes as he prepared to connect a pump used to clean out a 1,000-gallon vat at the plant.

Prosecutors said Golab staggered as he attempted to hook up the pump to the vat. Told to go outside, he instead went into the plant's lunchroom. Fellow workers testified that Golab began shaking, rolled his eyes backward and emitted foam from his mouth. He lapsed into unconsciousness and died en route to the hospital.

The main prosecution witness was Dr. Robert J. Stein, the Cook County medical examiner. Stein testified that Golab had a lethal level of cyanide in his blood. When the autopsy was performed, Stein said, a smell of bitter almonds—the odor associated with cyanide—spread throughout the examining room.

**Continued on Page 2**

# Government data signal weakness in U.S. economy

The nation's economy, which has been virtually stagnant since last summer, showed further signs of weakness in the government report projecting economic growth in the current quarter.

The Commerce Dept. issued a "flash" estimate of an annual growth rate of 3.1 percent in real gross national product—the total value of goods and services—for the April-June period. This is less than what economists generally regard as needed to provide the jobs for a growing work force.

The "flash" or preliminary estimate of real GNP is based on assumptions by government economists that sales are increasing and business spending is on the rise. But these assumptions are not fully shared by most private analysts, and the Com-

**Continued on Page 6**

## AFL-CIO blasts plan

# Child labor in National Park jobs?

The AFL-CIO has accused the National Park Service of undercutting the ban on child labor abuse in a proposal to allow park concessionaires to hire 14- and 15-year olds. The Park Service also wants to lift the restriction on working hours for children.

In filing a formal protest with the Interior Dept. agency, the federation said elimination of the child labor restrictions would expose younger teenagers to employer exploitation and hazardous working conditions.

The rule change also would add to the job problems of older teenagers, AFL-CIO Economist John L. Zalusky warned. The government's overall unemployment rate for 16- to 19-year olds in May was 18.9 percent.

"Adding more young teenage workers to an already glutted workforce serves no purpose, except that of concessionaires," Zalusky observed.

The Service Employees, who represent workers at concessions in the national park system, also protested the proposed repeal of the child labor rule. The SEIU based its opposition to the change on three grounds:

- The impact on the safety and health of the workers and public which uses park facilities.
- The incentive for younger teens to drop out of school when offered year-around jobs by concessionaires.
- Further aggravation of the job shortage by expanding the workforce with 14- and 15-year-olds.

"Repeal of the child labor rule creates no new jobs," SEIU President John J. Sweeney pointed out.

The Park Service initiated the proposed change at the request of concessionaires, who contend they often can't fill all their job openings because of restrictions.

As set forth in the Federal Register, the Park Service proposal is to "delete a child labor regulation in its entirety."

A major concern over the rule change centers on the hazards child workers would encounter in their jobs as stable hands, garage maintenance helpers, ski lift operators and short-order cooks.

Another problem, Zalusky said, "is that although there is a 9 p.m. limit on hours worked by 14-year-olds under the Fair Labor Standards Act, there is no control of the social environment in which they work." He noted that the youngsters could be exposed to cocktail bars and other unsuitable places.

"It is intolerable for the Park Service to

**Continued on Page 6**

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## Probing the issues

Reporters are filled in on a gamut of issues affecting workers and their unions by AFL-CIO President Lane Kirkland at a Washington Journalism Center seminar. The discussion ranged across such topics as labor's role in politics, congressional lobbying, job security, comparable worth, international affairs, union organizing and federal labor law. Moderating the session is Julius Duscha, left, director of the center.

# *3 executives convicted of murder in worker's death from toxic fumes*

**Continued from Page 1**

The defense contended that Golab died from a heart attack that was unrelated to his work.

A month after Golab's death, OSHA issued two citations listing safety violations it had found and called for fines totaling $4,850. The violations included the failure to classify the open vats "as a hazard potential," lack of safe clothing and safety equipment, a shortage of signs warning of cyanide and other dangers, failure to provide respirators, failure to screen workers to determine if they were strong enough to work with respirators, lack of cold running water with which to wash off splashed cyanide, and the lack of a cyanide antidote in first aid kits.

At a settlement conference, OSHA area administrator Josephine O'Brien slashed the proposed fines in half. The use of settlement conferences was begun under the Carter Administration but greatly expanded under Reagan.

After announcing his guilty finding, Judge Banks revoked the bail for the three company officials and ordered them jailed until sentencing on June 28. They face jail terms of 20 to 40 years. Under Illinois law, there is only one classification of murder and it carries a minimum prison sentence of 20 years.

Nearly 20 of the plant's former workers, all but one of whom were illegal aliens, testified that they vomited almost daily because of the fumes in the plant. The workers had no union representation.

A team from Cook County Hospital reported at least two-thirds of the firm's workers suffered at least 10 times a month from each of the four symptoms of cyanide poisoning—dizziness, taste of bitter almonds in the mouth, headaches and nausea and vomiting.

### Warning labels destroyed

Prosecutors introduced evidence showing that some workers at the plant had been ordered to scrape or burn off the skull and crossbones warning labels from drums of cyanide.

The company officials repeatedly ignored the instances of nausea and vomiting among the workers, the prosecutors said. They noted that while the antidote for cyanide is relatively inexpensive and widely available, none was kept at the plant.

The workers in the plant abraded old photographic and X-ray film into chips which they dropped into the open cyanide vats to extract the silver.

The cyanide soaked chips were loaded into cans which the company trucked to dozens of sites in the state. Nearly 7,000 tons were left in 171 truck trailers. The state of Illinois is suing to recover the millions of dollars it cost to have the residue destroyed.

Besides the three men convicted, the judge found Film Recovery and Metallic Marketing Systems guilty of involuntary manslaughter and 14 counts of reckless conduct. The companies, which own half the stock in the operation, were fined $10,000.

The judge dropped all charges against another defendant, Gerald Pett, the plant's vice president, saying the prosecutors had failed to prove any of the charges against him.

A fifth defendant, Michael T. MacKay, Film Recovery's vice president and an owner, has been indicted, but remains free in his home state of Utah, where Gov. Scott M. Matheson has twice refused to allow his extradition to Illinois. Norman H. Bangerter, a spokesman for the governor, said Matheson would restudy the case if he were to receive another extradition request. Daley, the Cook County state's attorney, said the request would be made.

Daley said, "These verdicts mean that employers who knowingly expose their workers to dangerous conditions leading to injury or even death can be held criminally responsible for the results of their actions.

Attorneys for the convicted men said the case would be appealed.

# Southern Regional Council sets up new labor institute

Atlanta—The Southern Regional Council has established a labor institute under the chairmanship of former Labor Sec. Ray Marshall to promote "economic and social justice" in the workplace.

The new body, known as the Southern Labor Institute, will help "assure that citizens and leaders throughout the region understand the consequences of low wages on living standards in the South," Marshall said. "The new institute will provide an open setting in which workers can help resolve this and other collective problems. . . . We want to open up new channels of communication between workers and their communities."

### Experienced director

Executive director of the institute is Kenny Johnson, who has worked with a broad range of community and civil rights leaders, black elected officials, and union leaders in the South. In the early '70s he was assistant executive director of the Scholarship, Education & Defense Fund for Racial Equality. Recently, he was field director of a national project to increase black voter participation.

Vice chairman of the institute's board is William Lucy, secretary-treasurer of the State, County & Municipal Employees.

Other labor members of the board are Howard D. Samuel, president of the AFL-CIO Industrial Union Dept.; Ed Ball, secretary of the Steelworkers; Jim Parker, retired organizing director of the Carpenters; M. C. Hargett, regional director of the Operating Engineers; J. Bill Becker, president of the Arkansas AFL-CIO; E. T. Kehrer, regional civil rights representative of the AFL-CIO, and Ruth Ellinger, educational director, Texas AFL-CIO.

Also on the board are Tony Harrison, past president, and Steve Suitts, executive director of the Southern Regional Council; Samuel DuBois Cook, president of Dillard University; Elizabeth Koontz, former director of the U.S. Women's Bureau; Ann Richard, Texas state treasurer; Julius Chambers, an attorney from Charlotte, N.C.; Ruby Martin, an attorney from Virginia; and Prof. Daniel Pollitt of University of North Carolina Law School.

Formed in 1944, the Southern Regional Council is the South's oldest biracial organization.

# Public unions applaud move on wage rules

The AFL-CIO Public Employee Dept. welcomed the decision of the Labor Dept. to begin monitoring state and local governments for compliance with federal wage and hour laws.

"We are gratified that the Labor Dept. has articulated a clear enforcement policy to carry out the U.S. Supreme Court's decision that state and local governments must comply with federal minimum wage and overtime laws," said Al Bilik, executive director of the PED State/Local Division.

The Labor Dept.'s enforcement policy was developed in response to the Supreme Court decision last Feb. 19 in Garcia vs. San Antonio Metropolitan Transit Authority. That ruling upheld the constitutionality of applying the Fair Labor Standards Act to virtually all state and local government jobs. The decision represented a reversal of a 1976 high court ruling in another case.

"The Supreme Court mandate, and now the Labor Dept.'s enforcement policy, will require state and local employers to extend to their employees the basic coverage given other workers under federal law. No longer will state and local workers be accorded second-class status," Bilik said.

Under the new policy, those state and local governments found not to be in compliance will be ordered to give the affected workers back pay to Apr. 15, 1985, the date when all appeals from the Feb. 19 ruling were exhausted.

Bilik commented that while the public employee unions would have preferred that the effective date for compliance be Feb. 19, "we are, nonetheless, pleased that the Labor Dept. had the resolve to move forward with a precise plan."

The PED, which represents federal, postal, state and local workers nationwide, has been working since the court ruling to coordinate organized labor's response to the decision.

## Retired COPE official Esther Murray dies

Pasadena, Calif.—Esther Murray, who retired in 1969 as Eastern Area director of COPE Women's Activities, died June 11 at the age of 82.

Murray joined the CIO Political Action Committee in 1950 as director of women's activities and in 1955 became co-director of COPE's women's activities—a forerunner of Volunteers in Politics.

A pioneer in union voter registration programs, Murray is credited with helping bring a dramatic increase in union member participation in politics and election campaigns.

She had earlier been an official with the Democratic Party in California and was a candidate for Congress in 1950.

Survivors include one son, Dr. Bruce Murray, five grandchildren and a nephew, House Majority Whip Thomas S. Foley (D-Wash.). Services were held June 19 in Spokane, Wash.

## Hold the pickle

**Fast-food chains are discovering that the federal minimum wage is too low, not too high.**

**The hamburger and fried chicken establishments have generally paid the lowest legal wage to their predominantly youthful employees and have been the most active lobbyists for the Reagan Administration's proposals for a subminimum youth wage.**

**A new survey by the Bureau of National Affairs discovered, however, that the fast-food industry is experiencing a nationwide labor shortage despite starting pay that averages more than the present $3.35 an hour wage floor and substantially more than the still lower rate that can be paid to full-time students.**

**The survey found starting pay averaging $3.59 an hour for full-time workers and $3.43 for part-timers. About 75 percent of the industry's employees are under 21.**

**President Reagan wants to lower the minimum wage for teenagers to $2.50 an hour from May through September.**

## ICFTU measures advance

# Soviet bloc maneuvers stymied at ILO parley

Geneva — This year's International Labor Conference passed the midway point with the Soviet bloc isolated in attempts to gain exclusion from compliance with standards on trade union freedoms.

AFL-CIO delegates played key roles in lobbying against Soviet-initiated moves to dilute International Labor Organization monitoring of workers' rights in communist countries.

James Baker, deputy AFL-CIO representative in Europe, said the U.S. workers' delegation was "very happy indeed" over the successful rejection of the Soviet bloc campaign.

"But this is really a victory for the International Confederation of Free Trade Unions, which put forward three of the five draft resolutions accepted for consideration," Baker said.

The communist bloc draft resolution, calling for creation of a working party to discuss modifying ILO machinery on the application of standards, placed last on the consideration list.

That means it would never even be discussed either in the resolutions committee or in the conference plenary session because of lack of time.

The ICFTU resolutions focusing on urgent labor problems in Africa and on hazard control and accident prevention were the first two accepted for consideration. An employers' group draft resolution on creation of job opportunities placed third, followed by another ICFTU proposal on working conditions in the rural sector.

### Double-standard

In fifth place for consideration is the East European proposal for a working party on treating communist states differently from others in applying ILO conventions on the right of workers to associate and other basic freedoms. It got no support from developing countries.

ILO officials said only the first proposed resolution addressing issues affecting African countries is likely to make it to the plenary session. The resolutions committee was deluged with 270 proposed amendments to the draft text.

A large volume of submitted amendments also slowed action on proposed new international conventions on stricter controls on worker exposure to asbestos and assurances of equal opportunity for men and women workers.

Both drafts ran into more than 100 proposed amendments apiece, which all but ruled out any final adoption at this year's conference.

AFL-CIO International Affairs Director Irving J. Brown delivered the major address to the plenary session as head of the American workers' delegation.

Federation President Lane Kirkland, attending during the second week of the conference, concentrated on renewing contacts with his counterparts from other countries and did not address the conference.

Brown told the 1,000 delegates from the ILO's 151-member countries that workers in many countries are faced with an "almost impossible situation—unemployment and inflation."

### Worst of both

"It is one of the major contradictions of our times—declining jobs and a high cost of living," he said. "Unless there's some major attempt to cope with this problem, the political stability of many nations will be threatened. This depressing picture is not only confined to the nations of the free world, but also is true of the totalitarian nations in spite of their propaganda about full employment."

Brown reiterated the long-standing position of U.S. workers that ILO standards must be applied equally to all countries "irrespective of the nature of their economic and social system."

He also denounced "managements that exploit the present economic adversity to hinder or destroy unions."

Labor Sec. William E. Brock told the conference that the United States is allied with nations that are "resisting either the formal or de facto dismantling" of the ILO system of standards and supervision.

Brock noted that he knew of "no truly democratic country in which trade unions do not play a significant political role. Certainly they do in the United States," he said in citing the AFL-CIO's ongoing political activities.

### Solidarity leader

A highlight of the conference came with an address by Jerzy Milewski, European representative of Poland's outlawed Solidarity labor movement.

Milewski charged that the Polish regime is guilty of "murders and attacks on lesser-known activists," not only those who make the headlines in the world's free press.

He appealed to world governments to continue their support of Poland's free trade union movement, stressing that Solidarity "continues to represent the workers in Poland, and Polish society has never stopped supporting our organization."

Soviet and other East European delegates, as well as Cubans and Nicaraguans, walked out when Milewski spoke. But the Chinese remained, although they did not applaud at the end.



## Grass-roots campaign

Labor's campaign against taxation of health insurance and other job benefits is spurred by this mailing from the Cleveland AFL-CIO to members of affiliated unions. Sebastian Lupica, executive secretary of the central body, shows the sacks of mail alerting union members to the threat.

# Stronger pension laws urged to protect workers' benefits

Congress should consider legislation to strengthen pension rights and protect workers against loss of earned benefits, the Steelworkers and the Auto Workers urged.

Both unions, testifying before the Senate Special Committee on Aging, advanced a three-part approach:

- A rise in the annual premium that single-employer pension plans pay for the program termination insurance provided through the Pension Benefit Guaranty Corp.
- A requirement that pension benefits be fully vested — in effect, guaranteed — after five years rather than 10 years.
- Encouragement of "portability" between pension plans so that workers will not be penalized because of plant closings and the mobility of employment that is a feature of the American economic system.

That last point is less amenable to a legislative solution, but both unions emphasized its importance.

Steelworkers Legislative Director John J. Sheehan stressed that "pension benefits are earned by an employee." Whether vested or not, a worker should be able to transfer his pension credits and the assets to pay for them to another pension plan when he changes jobs, Sheehan urged.

UAW Associate Gen. Counsel Alan V. Reuther suggested that a national portability program could be established in stages.

"It could develop within industries and later be extended between industries," he said. "Another approach would be to require pension portability among employers receiving government contracts, starting perhaps in the defense industry."

Both union witnesses sharply criticized the Administration approach of IRAs—the tax-deferred individual retirement accounts that have been most heavily used by persons in higher income brackets.

"In an era of severe budget deficits in which vital social programs are being curtailed or eliminated, why should a tax shelter which disproportionately benefits the well-to-do and causes a huge annual loss of revenue to the federal government be preserved, much less expanded?" Sheehan asked.

Reuther expressed concern that "the continued expansion of IRAs will wind up undermining public support for social security and the private pension system . . . the programs that represent the best means of providing adequate retirement income security to working men and women."

# 16 states remain above 8 percent in unemployment

The unevenness of the so-called recovery from the Reagan Recession surfaced in a government report showing that 16 states and the District of Columbia still have historically high rates of unemployment in excess of 8 percent.

The report by the Bureau of Labor Statistics for April also showed that joblessness in five states continued at double-digit levels.

West Virginia remained the state with the highest unemployment rate—12.5 percent—followed by Louisiana with 11.2 percent, Oregon with 10.6 percent, Michigan with 10.3 percent, and Alaska with 10 percent.

Several of the states with jobless rates between 8 and 10 percent are clustered in heavily industrialized areas of the East and Midwest, including Pennsylvania, Ohio, Indiana, Illinois, and Iowa.

The percentages derive from state and local data and are not adjusted for seasonal fluctuations in the workforce.

### Lowest rate

Massachusetts had the lowest unemployment rate in April, 3.7 percent. The most rapid job growth was reported in Arizona, Georgia, Nevada, and New Hampshire, each of which had over-the-year gains of 6 percent or more.

Most of the job gains were in services, trade, and finance, BLS said, with only about half the states showing over-the-year growth in manufacturing jobs.

Among the 253 metropolitan areas for which BLS reported jobless rates, McAllen-Edinburg-Mission, Tex., had the highest, 19.9 percent, followed by Modesto, Calif., with a jobless rate of 17.4 percent.

# Car telephone dumping laid to Japanese firms

Japanese manufacturers of car telephones have been dumping their product in the United States, unfairly undercutting their American competition, the Commerce Dept. charged.

The government finding, which resulted from a petition filed by Motorola, Inc. last November, came as U.S. negotiators met in Tokyo to discuss the rising import of Japanese car phones and other radio equipment into this country. A hearing on the case has been set for July 23.

# *18 N.Y. hotels put on unfair list*

New York—The strike by 16,000 members of the nine-union Hotel & Motel Trades Council enters its fourth week with the two sides remaining far apart on wage and benefit issues.

But the pressure on the employers was increased and the spirits of the strikers boosted by the placement of 18 major hotels on the AFL-CIO's unfair list. They are:

The Harley of New York, Helmsley Palace, Howard Johnson Motor Inn, Marriott's Essex House, New York Hilton, Park Lane, Pierre Hotel, Plaza Hotel, Ramada Inn, Regency, St. Moritz, St. Regis, Sheraton Centre, Sheraton City Squire, Sheraton Russell, Summit, Waldorf Astoria and Windsor Harley.

The presidents of the nine international unions involved in the strike joined in a telegram to AFL-CIO President Lane Kirkland requesting that the hotels be placed on the unfair list. In following through, Sec.-Treas. John Mara of the AFL-CIO Union Label & Service Trades Dept. said the action should remind union members and their families not to patronize the struck hotels.

### Show of solidarity

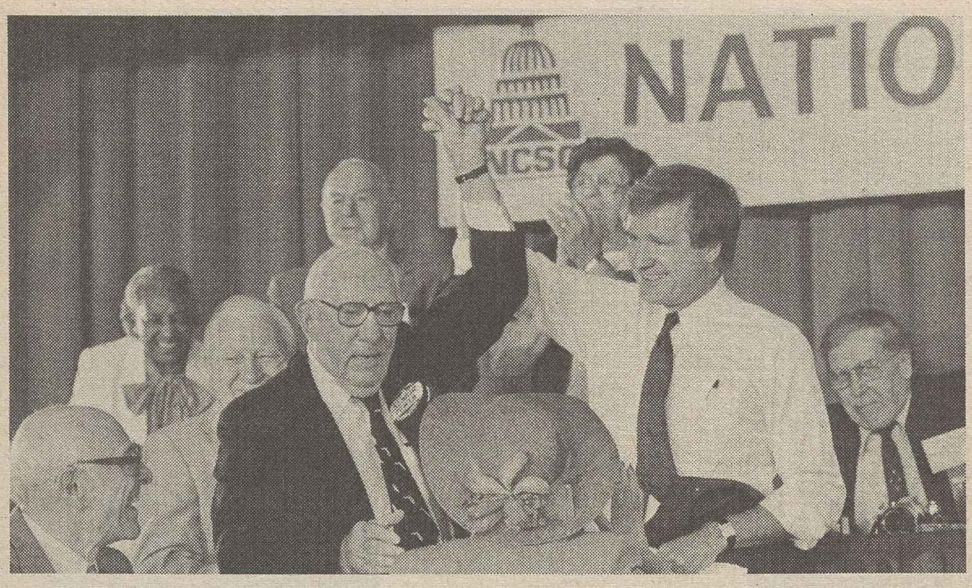
The more than 5,000 strikers and their supporters from 20 local unions marched from the Plaza Hotel through downtown Manhattan on June 14 in a demonstration of solidarity.

The Hotel & Motel Trades Council is sticking to its goal of a 6.5 percent wage increase after agreeing to limited changes in job assignments, a key item on the bargaining agenda of the employer association that represents the 53 struck hotels.

"Now that we have job interchange, we've agreed to what they wanted; they'll have to agree to what we want on wages," council spokesman Henry Sheinkopf said. "They have offered 5 percent increases on a five-year contract. That is unacceptable."

The State Mediation Board has named a five-member citizens panel to recommend terms for settlement of the strike. Enio V. Carrion, chairman of the New York City AFL-CIO Hispanic Labor Committee, is a member of that panel.

Bargaining has continued on a sporadic basis throughout the strike with the longest session occurring June 18 when the two sides met for four and one-half hours.




Rep. Claude Pepper and Sen. Donald Riegle are applauded at NCSC legislative conference for their pledge on social security.

# Air Line Pilots back to work after 29-day strike at United

The Air Line Pilots, ending a 29-day strike against United Airlines, began returning to their jobs at the nation's largest airline.

The return to work followed announcement by the Association of Flight Attendants that it would not hold the pilots to their agreement to remain off the job until AFA members had settled with the company.

About 90 percent of the AFA's 8,000 members at United honored ALPA picket lines, and the Pilots had made their own return to work conditional upon the company's settling with the Flight Attendants.

The AFA said in a statement that because of United's "persistent efforts to negotiate a punitive back-to-work agreement," it was releasing the ALPA from its pledge.

"Signing an agreement that punished the decent men and women who exercised their rights as American citizens to stand up for their principles and honor a legal and justified picket line on our property would clearly not be in the best interest of our members," the AFA said.

"Rather than agree to such terms, we will vigorously litigate and arbitrate the terms and conditions of our return to work."

The ALPA's 27-member Master Executive Council at United subsequently ratified a new four-year agreement in Chicago on June 14. Rank-and-file membership approval is not required under the union's procedures.

While full terms of the agreement were not disclosed, the main economic issues had been made known earlier. A week after the strike began, the parties agreed to a new pay scale under which newly hired pilots would receive 40 percent less than levels provided in the old agreement. The two-tier system would run for ve years after which the issue would be submitted to binding arbitration if the two sides could not reach agreement.

### Pay raises

In addition, all pilots will get raises of 9.5 percent over the span of the contract.

Despite that agreement, the return to work was held by the company's insistence on "super seniority" for some 270 non-striking union pilots who crossed the picket lines, ALPA's determination to stand by the flight attendants who honored the lines, and the union's insistence that United hire some 570 new second officers trained by the airline but who refused to work when the strike began May 17.

United recruited thos 570 as "expansion" pilots, then told them 24 hours before the strike they were expected to become strikebreakers. All but a handful refused.

All parties agreed to let a federal district court judge in Chicago decide those issues. A hearing on the legalities began June 17 and was expected to take 10 days before a ruling would be issued.

United, which sought the new two-tier wage schedule to become "cost competitive" with other airlines, sought to maintain flight service during the walkout. Because of the strike's effectiveness, however, the airline was able to mount only about 15 percent of its 1,550 daily flights.

United President James Hartigan said the airline would have virtually all of its schedule resumed by the first of July.

## Teachers repel NEA in Detroit landslide vote

Detroit — The Detroit Federation of Teachers beat back a challenge by a decisive 3-1 margin over the Michigan Education Association to retain representation rights for the city's 11,400 public school teachers. The American Federation of Teachers affiliate has represented the Detroit unit since it was first organized 21 years ago.

The MEA, an affiliate of National Education Association, "failed to convince teachers in Detroit that they could represent teachers in an urban school district," said DFT president John Elliot. "All they could offer were promises. The DFT, on the other hand, had a clear record of impressive gains for the teachers."

The victory in Detroit is part of a trend of NEA rejections sweeping through the state. Over the last 18 months, five NEA bargaining units have switched to the Michigan Federation of Teachers, the AFT reported.

**On Capitol Hill**

# Seniors rally against social security freeze

Hundreds of senior citizens from all over the country rallied on Capitol Hill to protest the plan by the Republican-controlled Senate to freeze social security cost-of-living adjustments—a key issue for House and Senate conferees negotiating on the 1986 budget.

Earlier, the House voted 258-170 for a budget that keeps social security intact, while the Senate voted 50-49 to eliminate next year's COLA. The Senate budget also would terminate several vital social programs and drastically reduce others.

A long caravan of buses led by antique cars brought the seniors to the Capitol during a three-day legislative conference of the National Council of Senior Citizens.

They were greeted at the Capitol by seasoned backers of the elderly, including Sen. Donald Riegle (D-Mich.) and Representatives Claude Pepper (D-Fla.), Edward Roybal (D-Calif.) and Ronald Wyden (D-Ore.).

Riegle reminded the rally that social security benefits have been cut drastically since the Reagan Administration took office. "You've already done your share," he said. "It's time for those who haven't done their share to reduce the federal deficit."

### Administration intent

NCSC President Jacob Clayman, pointing to a 1921 Model T Ford that led the caravan, said, "It's the intention of this Administration to take us back to the time when old people were forced to go to the poor farm."

The elimination of the social security COLA would push 500,000 below the poverty line, he warned.

NCSC Executive Director William R. Hutton said the council's members want "to remind Congress that social security cuts do not reduce the deficit in any real way. They are angry that the Senate approved a freeze on their COLA while increasing an already swollen military budget. Seniors want to see the House bill—which reduces the deficit without burdening the elderly—prevail in the budget conference."

In a keynote address to the conference, Senate Minority Leader Robert Byrd (D-W.Va.) said efforts by the Republican-controlled Senate to impose large burdens for deficit reduction on elderly Americans is "unfair and unjust."

### Unforgivable action

Byrd said it was "unforgivable, after the Congress took the painful steps necessary to set social security on a sound financial footing a few years ago, that the President would propose to cut social security benefits in order to balance deficits appearing elsewhere in the federal budget."

House Rules Committee Chairman Claude Pepper told the seniors that since 1981 the Republicans have been making "the people covered by Medicare pay more and generally get less and less."

He reminded delegates that in 1965 when the Medicare program was enacted by Congress, the elderly of America were paying 20 percent of their own income for their medical care.

of their personal income for their medical care," he said.

House Majority Leader Jim Wright (D-Tex.) accused President Reagan of "indulging in wishful thinking" when he said that if a strong bipartisan majority in both the House and Senate demanded a freeze of the social security COLA, he would have to "pay attention to it because that would be a mandate."

President William W. Winpisinger of the Machinists, who is chairman of the AFL-CIO Committee on Union Retirees, accused the Reagan Administration and its right-wing supporters of scheming to "tear down everything the labor movement and the NCSC have struggled so hard to see built. They are trying to roll the clock back to the 1930s."

### Grassroots force

He called on delegates to repel the right wing with grassroots power generated by organized and dedicated union retirees.

Winpisinger noted that 22 Senate Republicans are up for re-election in 1986, and "we would all do well to remember how they are trying to steal your money this year and vote them out of office next year."

Other speakers included Sen. Tom Harkin (D-Iowa), Representatives Barney Frank (D-Mass.) and Mary Rose Oakar (D-Ohio) and economist Steve Max of Citizen Action.

The conference also made note of several milestone birthdays this year: the 50th of social security; the 20th of Medicare and Medicaid—and the 80th of Jake Clayman, who was president and secretary-treasurer of the AFL-CIO Industrial Union Dept. before becoming president of the NCSC.

already resolved through collective bargaining agreements based on pay equity principles.

## Reagan job rights panel abandons pay equity

**Continued from Page 1**

through a comparison of the value of "dissimilar jobs which command a different wage in the market," the agency asserted.

Unions raising the pay equity issue—in negotiations, EEOC cases and court suits—point out that the task of evaluating jobs for salary purposes is hardly insurmountable and is regularly undertaken in both the private and public sectors of the economy.

The EEOC decision, predictably, was applauded by employer organizations. The National Association of Manufacturers said employers now could "rest easier" in the knowledge that the commission "will not get into the business of determining the inherent worth of jobs."

Rejection of a claim by the EEOC does not preclude the persons or groups affected from bringing court suits alleging illegal sex discrimination, and a number of union-sponsored cases are pending in trial or appellate courts.

# *Poll finds concern at import-linked job losses*

Most Americans think the trade policies pursued by the Reagan Administration are wiping out U.S. jobs, a nationwide poll showed. They would favor limiting imports even if it reduces the choice among products which they can buy.

The United States trade deficit under the Reagan Administration has soared to more than $130 billion annually with Japan accounting for nearly a third of that amount. The May trade deficit with Japan was $3.4 billion.

One-fourth of the 1,509 persons interviewed by telephone in the New York Times/CBS News poll listed the trade deficit as the first or second most important national issue, compared to tax reform, arms control, budget deficit and conflicts in Central America. Seven in 10 felt current trade policies are costing U.S. workers their jobs.

"The majority of Americans think we're being taken to the cleaners," said Mark Anderson, a foreign trade specialist with the AFL-CIO Dept. of Economic Research.

Anderson cited lack of access to foreign markets, the effect of an overvalued U.S. dollar and the heavily subsidized exports from a number of developing countries as reasons for the high trade deficit.

The public views the loss of jobs as a heavy impact of current trade policies. Some 47 percent said imports were hurting their communities, and 69 percent believed that foreign trade is costing U.S. workers their jobs. However, 53 percent also said that foreign trade helps the U.S. economy.

Three-fourths of the respondents from the industrial midwestern states of Illinois, Indiana, Michigan, Ohio and Wisconsin blamed imports for the loss of jobs.

The phrase "strong dollar" was not fully understood, the poll revealed. Sixty percent of those polled considered it good for U.S. trade.

Seventy percent said that limiting imports is a good idea, and 60 percent still agreed to limiting imports even if it reduced the consumers' choices. Even with the prospect of retaliatory trade measures by America's trading partners, 41 percent of those polled still agreed that imports should be limited.

Asked whether they had ever not bought an item because it was not made in America, 43 percent said "yes," up from 36 percent two years ago.

Commenting on the poll results, former U.S. Trade Representative William D. Eberle noted that the U.S. received 64 percent of all the exports of developing countries, a far higher proportion than other rich countries. The European Economic Community receives 25 percent, Japan 8 percent and the rest of the countries of the world 3 percent.

# *NLRB backlog thins as pro-employer bias rises*

National Labor Relations Board Chairman Donald L. Dotson and NLRB General Counsel Rosemary M. Collyer told a House subcommittee that the board has been reducing its backlog of cases and anticipates further improvement now that it has its full complement of five members.

But union witnesses and members of the House Employment & Housing Subcommittee suggested that one reason for the reduced backlog is that many workers and their unions have given up on the NLRB process because of long delays and a pattern of favoring employers.

Food & Commercial Workers Gen. Counsel George R. Murphy told the House panel that the 50-year-old National Labor Relations Act, which was "intended to promote economic stability in labor-management relations, no longer serves that function."

"We're not using the board anymore except for a few pending cases," Murphy said. "Where we have the economic power, we're going to use it. The union is better off taking the matter straight to the streets with whatever economic power it has. I'd rather be devoured by a shark than nibbled to death by a swarm of minnows," he declared.

"Employers can delay an unfair labor practice proceeding interminably and, consequently, destroy a union organizing campaign through a war of attrition," Murphy told the panel.

He cited examples including:

- The clearly unlawful actions of a California food store in firing its unionized workers and engaging in a "sham sale of the store to a non-union corporation controlled by the same owners." The workers involved have been waiting nearly two and one-half years for justice, he said.
- A refusal to bargain charge that dragged on for four-and-one-half years, by which time it didn't matter since only one of the original union members was still employed at the Texas establishment.

Murphy and Pamela Ames, an official of the American Nurses Association, said organizing health care workers had become much more difficult as a result of a 1984 board decision which limited the definition of what constitutes an appropriate bargaining unit in a health care facility.

Ames, a former organizer for the registered nurses organization, said, "When I organized a group of nurses at a hospital in Middletown, Ohio, in 1979, I never thought I'd be sitting here in 1985 without ever having seen a bargaining table. . . .

"Nurses who enthusiastically organize for collective bargaining purposes one year, but do not reach the negotiating table for five or more years—if ever—lose their interest in the representation process and ultimately their rights."

Dotson said the May 23 confirmation of new board members Wilford Johansen and Marshall Babson will put the board at full strength for the first time since August 1983, which he said will help cut the backlog.

The NLRB's backlog of unfair labor practice and representation cases reached a record of 1,647 in February 1984, but declined to 1,236 as of June 1, Dotson said. He said the board has been using a "speed team" to expedite cases.

Asked by Rep. Sander M. Levin (D-Mich.) about organized labor's view of the Reagan-appointed board as being biased against unions, Dotson replied, "That's nothing new. There always have been people on both sides of the fence who have been dissatisfied with board actions."

Levin then said, "I think the level of disrespect and despair about getting a fair hearing before the board has reached a new height."

### Failure to deliver

Subcommittee Chairman Barney Frank (D-Mass.) termed the backlog a continuing serious problem despite some improvement. But "working men and women continue to be denied their rights. The government continues to fail to deliver on its promise" to fairly oversee labor-management relations, he charged.

NLRB Gen. Counsel Collyer insisted that "the bones of this operation are sound, even if we may have a few creaking joints."

She said the backlog has been cut largely because the intake of new NLRB cases had fallen nearly 10 percent between the first six months of fiscal 1984 and the first six months of fiscal 1985.

## Child care credit called preferable to tax deduction

President Reagan's proposal to change the present child care tax credit into a tax deduction would penalize low-income households while providing a bigger tax break for those in higher income brackets, the State, County & Municipal Employees testified at Senate hearings.

The existing credit allows working families to subtract a portion of the child care expenses they incur from the federal income tax they owe. The credit is highest—30 percent—at the lowest income level and drops to a 20 percent credit at incomes of $28,000 and higher. If child care expenses are the same, the low-income working parent now has a bigger tax savings than the higher-income family.

That would be reversed under the Administration proposal, AFSCME pointed out. Stanley Hill, associate director of District 37 in New York City, testified for the national union at a Senate Finance Committee hearing on "low-income issues in the President's tax reform proposal."

Persons who do not itemize returns—a category that includes most lower-income households—would lose all child care tax benefits under the President's plan, Hill noted.

For those who do itemize, the value of the deduction would be highest for persons in the higher income brackets—thus reversing the tilt of present law.

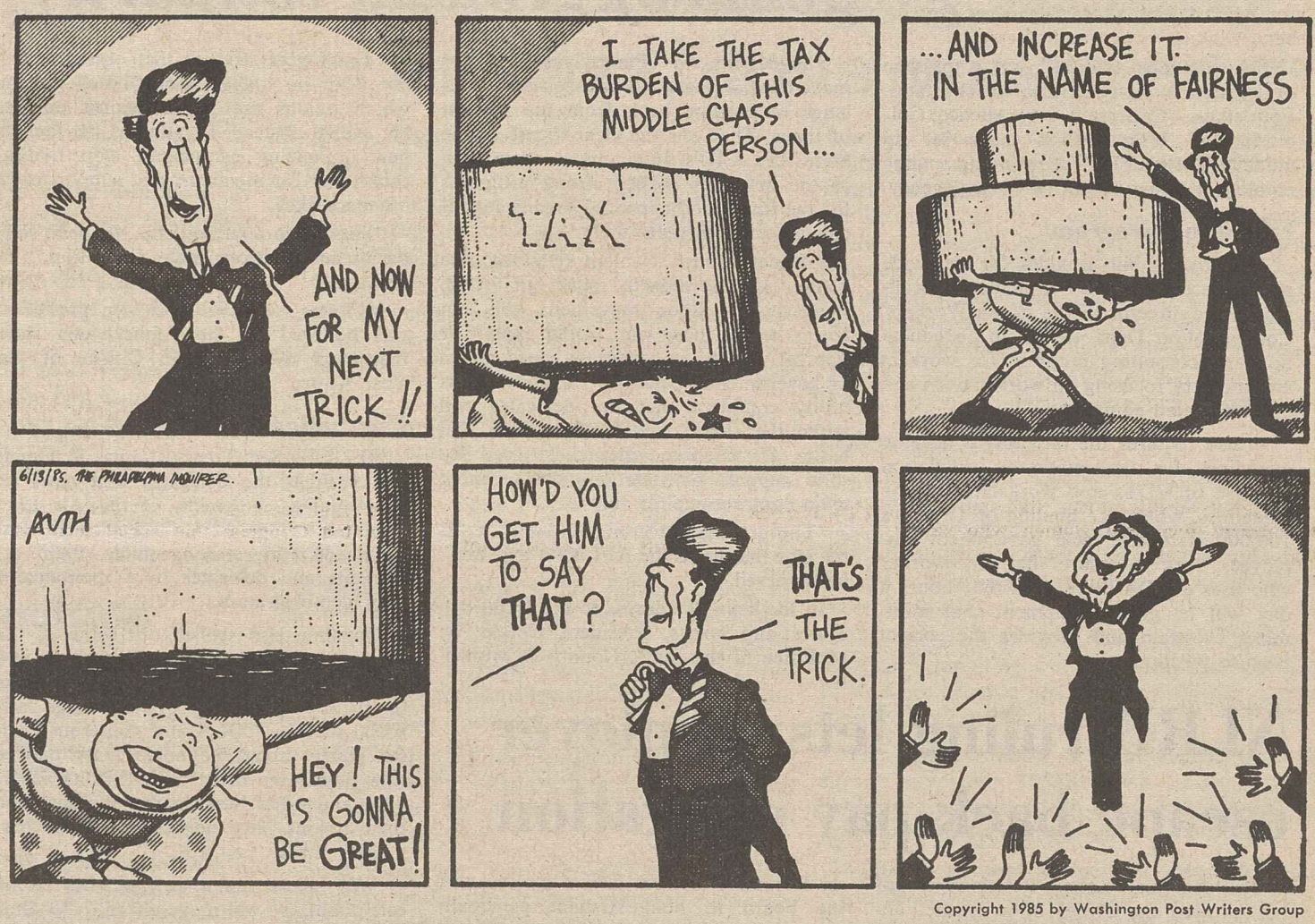
Hill cited the advantage over present law for a high-income household that now can take a maximum tax credit of $960. If the family is in the top 35 percent tax bracket, under the President's proposal for a deduction it would be able to reduce its tax bill by $1,680. But the low-income family "in which child care costs may make the critical difference between being able to work and not being able to work, will get nothing," Hill pointed out.

### Bigger bite

The AFSCME testimony welcomed other portions of the Administration bill that would exclude more low-income households from the federal income tax. Nevertheless, the union stressed, the combined income and social security tax would take a bigger share of the earnings of a poverty-level household under the President's proposal than was the case in 1979.

Hill also urged the committee to consider the impact that ending the deductibility of state and local taxes would have on low-income households—even if they are not directly affected because they don't use the long-form tax return.

States whose tax base would be weakened by the loss of deductibility are those which use their resources to provide most adequately for the needy, Hill noted. He cited as an example state-set Aid to Families with Dependent Children grants based on need.




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## New study to explore effects of VDT rays on pregnancy

New York — Dr. Irving J. Selikoff, an internationally known specialist on workplace health hazards, is investigating what effects radiation from video display terminals may have on pregnancy.

The four-year study will be jointly administered by the Services Employees, the 9to5 National Association of Working Women, and Selikoff, a professor at Mount Sinai School of Medicine, who has conducted major health studies for unions on the hazards of asbestos and vinyl chloride.

In announcing the start of the long-range VDT study, SEIU President John J. Sweeney observed that "what we have here is a potential hazard of enormous proportions." He suggested the study should have been conducted 15 years ago, "when the machines first began flooding workplaces."

Today, more than 10 million office and clerical workers use VDTs.

Research has found that non-ionizing radiation from VDTs is similar to weak pulsed magnetic fields that produce biological defects in chicken embryos.

Selikoff said "we are investigating these questions to answer the legitimate concerns of the millions of office workers who wonder if VDTs pose a reproductive hazard."

The study will involve up to 12,000 volunteers, both VDT-users and a "control group" of non-VDT-users.

The study will be funded by a grant from the March of Dimes. Selikoff's laboratory is supported by the American Cancer Society.

Selikoff is the 1979 recipient of the Murray-Green-Meany Award, the AFL-CIO's highest honor, for his pioneering work in occupational health.

## Actors' Equity elects Dewhurst as president

New York—Colleen Dewhurst has been elected President of Actors' Equity Association to succeed Ellen Burstyn, who did not seek re-election. Dewhurst has served on the union's governing council since 1983. Burstyn will serve as fourth vice president.

Other officers elected in the mail balloting for three-year terms are First Vice President Barbara Colton, Second Vice President Mary Lou Westerfield, Third Vice President Patrick Quinn and Recording Sec. Lynn Archer. Fifteen members of Equity's governing council also were elected.

## *Rail unions seek new accords for 300,000 workers*

Unions representing workers employed by the nation's major railroads continued to negotiate for new agreements to replace those that expired a year ago, but little progress was reported.

The 13 unions represent about 300,000 workers on Class I railroads, those with annual operating revenues of $83.5 million or more. They account for about 95 percent of all freight moved in the country.

Bargainers for the United Transportation Union, the largest operating union, were meeting daily with the carriers in talks conducted by the National Mediation Board. Management of the railroads is represented at the bargaining table by the National Railway Labor Conference.

Agreements between the parties became "amendable," or open for renewal, on June 30, 1984. The main unresolved issues are wages and work rules.

Besides the UTU and the Yardmasters, the other unions involved in the negotiations are the Signalmen, Carmen, Maintenance of Way Employes, Railway & Airline Clerks, Machinists, Sheet Metal Workers, Boilermakers & Blacksmiths, Firemen & Oilers, Train Dispatchers, Electrical Workers and the unaffiliated Locomotive Engineers.

# Oregon enacts first state law on VDT safety

Salem, Ore.—Oregon became the first state to enact legislation governing the use of video display terminals when its House of Representatives passed a VDT bill by a 31-29 vote. The Senate had approved the legislation by a near-unanimous vote in February.

The bill must be acted on by Republican Gov. Victor Atiyeh who has been "less than enthusiastic" about it, according to Chuck Mendenhall, director of governmental relations for the Oregon Public Employees Union, a 17,000-member local of the Service Employees.

"The passage of this bill in Oregon is a tremendous breakthrough for the safe and productive use of VDTs across the United States," SEIU Legislative Director Geri Palast said. The SEIU and 9 to 5, National Association of Working Women, jointly pressed for passage of the Oregon VDT bill through their national Campaign for VDT Safety, which began last December.

The campaign's initial goal is passage of legislation or guidelines in 18 states. Four states—California, New Mexico, Colorado and Massachusetts—have set up guidelines for VDT use among public employees either statewide or by agency.

### Education program

The Oregon bill provides for statewide education on safe VDT operation by calling on the director of the state's Workers' Compensation Dept. to set up an education and consulting program for workers and industry focusing on workstations and the automated equipment.

It also requires the director to develop guidelines for the purchase, installation and use of VDTs and workstations. The guidelines, which are binding on Oregon's 100,000 state and local government employees, seek to insure that any worker who uses a VDT more than four hours a day will be given equipment that minimizes eyestrain and provides the correct posture position.




AFSCME President Gerald W. McEntee addresses the Pennsylvania AFL-CIO convention which honored him as the state AFL-CIO Citizen of the Year.

# *Pennsylvania unions shape goals of growth, solidarity*

Philadelphia — Pennsylvania's labor movement is ready to take on the challenge of battling back from the hardest of times. That was the clear theme of the State AFL-CIO's 26th annual convention as the delegates shaped strong programs for the future and approved organizational changes to implement them.

President Julius Uehlein reiterated the pledge of the officers report that "the Pennsylvania labor movement will not cower before those who would exploit or oppress workers in corporate board rooms or governmental palaces." He said he was "fully confident that the delegates will ignite the spark" and solidarity for that battle. He cited the immediate need for solid support of state employees whose main contract expires July 1.

"The growing government workforce is the glue that holds the AFL-CIO together," he observed.

In the keynote address to the 1,100 delegates and guests, President Gerald W. McEntee of the State, County & Municipal Employees stressed that organized labor "can no longer afford" situations in which unions are pitted against unions. He called instead for unions to launch new organizing campaigns, stop raiding each other for members, and support each other's strikes.

"More than anything else, we need solidarity and a strong state federation," he declared.

McEntee, an AFL-CIO vice president, was honored by the Pennsylvania state federation with its 1985 Citizen of the Year Award.

### Pact hailed

AFL-CIO Sec.-Treas. Thomas R. Donahue brought the delegates first news of the tentative settlement of the Air Line Pilots strike against United Airlines, and he joined with striking pilots, flight attendants and delegates in a spontaneous floor demonstration.

Donahue also spelled out some of the major challenges unions face at the national level. Citing the unrelenting attacks on the Davis-Bacon prevailing wage law, social security COLA and numerous critical budget areas, he noted that "they've now added the drive to tax health insurance and other benefits that workers and their unions have negotiated at the bargaining table.

"We face a major struggle, but let no one doubt, we will move ahead," Donahue declared.

John Perkins, national director of the AFL-CIO Committee on Political Education, told the delegates the notion that the labor movement was "left for dead" by President Reagan's re-election is "a media myth fostered by syndicated second-guessers."

"We're alive and kicking and feisty . . . and we're in the game for keeps," he declared.

Other major convention speakers included Prof. Barry Bluestone of Boston College, AFL-CIO Vice President J. C. Turner, Rep. Robert Edgar (D-Pa.), Capt. Rick Hudley of the Air Line Pilots, U.S. Senators Arlen Specter and John Heinz, and Tony Stellar, executive director of the AFL-CIO Appalachian Council.

# U.S. economy shows signs of weakness

**Continued from Page 1**

merce Dept. projections have proved overly optimistic in the past.

In the first quarter, for example, the government's flash estimate was for a 2.1-percent increase in real GNP. As additional data flowed in, this figure was revised to 1.3 percent. Subsequent revisions put the figure at seven-tenths of a percent and finally at three-tenths of 1 percent.

The economy grew at an annual rate of 4.3 percent in the final quarter of 1984.

Even if the flash estimate for the April-June period were to hold up, it would be less than the Administration's forecast for all of 1985, an increase of 3.9 percent. Economists generally figure a growth rate of 4 percent is necessary to keep up with an expanding labor force.

Other economic developments that concerned analysts included a sharp 14 percent drop in new housing starts in May, another decline in the use of factory space, and a drop in personal income.

Even this week's half-percent reduction in the prime lending rate that major banks charge their best corporate customers was seen as a sign of the economy's current weakness. While ordinarily a welcome development, the drop in the prime may reflect weaker demand for credit, particularly business loans.

The 14 percent decline in housing starts last month—the sharpest drop in 15 months—reversed a two-month rise. The Commerce Dept. said new starts declined in every region of the country except the Midwest.

Starts were off in both single-family houses and buildings with five or more units. Single-family units were down 10 percent from April's level.

The May decline was the steepest since a 23 percent drop in March 1984. Last month's level of starts was 6.9 percent below that of a year earlier.

Meanwhile, reflecting the decline in the economy's manufacturing sector, the Federal Reserve Board reported that factory capacity utilization fell four-tenths of 1 percent to 80.3 percent in May.

# NLRB ruling lets employer escape back-pay obligation

The National Labor Relations Board has allowed the owner of a defunct apparel firm to get off the hook for back pay owed workers he fired illegally in a 1978 organizing drive.

In a 2-to-1 ruling, the board rebuffed its own general counsel who had filed a motion last December to hold Martin Arsham personally liable for some $31,000 in back pay owed the workers. NLRB Chairman Donald Dotson and Member Robert Hunter teamed up against lone dissenter Patricia Diaz Dennis, who charged the unlawfully discharged workers were denied justice.

The case goes back to April 1978 when Local 29 of the Ladies' Garment Workers obtained authorization cards from a majority of the employees of Martin Arsham Sewing Co., a small Cleveland-based firm. The union then sought recognition and bargaining only to run into stiff opposition from Arsham who assembled his 15 employees, and threatened:

"Whoever signed the cards can get their coats and leave." All 15 employees walked out and struck the company.

In a preliminary finding, the board held 18 months later that the workers had been "constructively discharged" because of their support for the union and ordered Arsham to reinstate them with back pay.

Arsham balked, refused to honor the board's order and filed a petition for bankruptcy in December 1981. Three months later, he sold all the assets of the firm to Drape Factory, Inc., for $20,000. Arsham and his wife are the sole owners of Drape Factory.

In December 1984, NLRB Gen. Counsel Rosemary Collyer filed a motion with the board to hold Arsham personally liable for the back-pay payments, reasoning that Arsham had converted his firms's assets to his own personal use and intermingled his personal and corporate funds with the intention of avoiding payment of back pay. Dotson and Hunter said they found no evidence to show that the workers had been prejudiced by Arsham's various legal and financial maneuvers, or that he had caused the firm to go into bankruptcy.

### Hearing denied

Member Dennis saw things differently, arguing that at the very least the board should grant Collyer's request for a hearing on the matter.

"My colleagues once again mount a defense for an employer that does not bother to present its own," she said. "This time, however, my colleagues not only put on the employer's defense but also deny the general counsel a chance to rebut it.

"While I believe the defenses are legally without merit, I find most disturbing the majority's refusal to accord the general counsel an opportunity to address them," she said.

"In their zeal to both raise and adopt Arsham's possible defenses, Chairman Dotson and Member Hunter summarily deny justice to the discriminatees whom Arsham unlawfully discharged in a mass firing seven years ago.

"If there is allegedly 'insufficient evidence' on the present record to find Arsham personally liable, there is certainly no evidence in Arsham's favor."

# Park Service denounced on child labor proposal

**Continued from Page 1**

back away from its responsibility to protect the health and safety of these youths as well as their educational and social opportunities," Zalusky said.

FLSA protections would be lacking for the young worker at a number of concessions and for subcontractors whose gross annual revenues don't meet the $362,500 standard for interstate commerce.

State and local safeguards also are in question since concessionaires and subcontractors often contend they are exempt from those regulations because they operate their businesses in federal enclaves.

"By simply contracting out and lifting the ban on child labor, the Park Service is walking away from its responsibility," the federation statement said.

# 10,000-member union joins CWA

New York — The Communications Workers welcomed the decision of the 10,000-member United Telephone Workers to join the CWA ranks, saying the move strengthens both organizations.

The independent UTW, which this spring disaffiliated from the Telephone International Union, a non-AFL-CIO union, represents about 8,000 New York telephone workers and some 1,800 employees of AT&T Information Systems (AT&TIS).

In balloting completed June 14, UTW members voted 3 to 1 to merge with CWA. The vote was 3,841 to 1,243. The UTW becomes part of CWA District 1, which is headquartered here and covers New England, New York, and New Jersey.

UTW members sell equipment in phone stores, write orders, and carry out billing operations.

UTW President Vincent Messina said the vote culminated a three-year effort to affiliate with CWA "and we are very happy to be a part of the mainstream of the labor movement." He added: "As part of the CWA, we will be in a very strong position as we prepare for bargaining in 1986 with both New York Tel and AT&TIS."

The unaffiliated Telephone International Union has lost large locals in Pennsylvania and Connecticut in recent months.

# EDITORIALS

## A Purpose to Politics

THERE ARE powerful forces in this country that want labor's mission confined to collective bargaining, at most. They want us to retreat from the political arena, leaving that field exclusively to them.

Some who aspire to leadership in the Democratic Party are proposing that the party further distance itself from its natural and most vital constituency—that it turn a cold shoulder on labor, on the minorities, and on women's issues.

Their apparent formula for electoral success is to stake out a piece of the conservative field and call it the new center.

They want to move to something vaguely defined as the "middle of the road."

Somehow I had always thought that the path of political progress, like other highways, worked best when the middle of the road was reserved for dividing lines and not for heavy traffic.

The proponents of this new course claim to speak for the great middle class. But they insult the middle class by defining it as those who have it made and don't give a damn for those who are still struggling for a piece of the pie or a place in the sun.

Well, we know what the middle class really is. This labor movement is the engine that has been moving people into the middle class for a hundred years. And we are still doing that.

IT IS ALSO our business to keep those who have made it into the middle class from falling or being pushed out of it. That, too, is labor's mission.

If we allowed ourselves to be pushed out of politics, not just one party but both parties would be controlled by the bankers, the oil barons, and the admen, lawyers, consultants and lobbyists for corporate greed.

Labor is the only force in American life whose mission is to make sure that those who don't have enough power are not kicked around by those who have too much.

We give a purpose to politics that is beyond the comprehension of those who lust after the pleasures of power for its own sake, or who see politics as the road to personal gain.

We are the main line of defense for the plain people of this country who are not trying to live high on the hog at the expense of their neighbors—who are just trying to pay the mortgage, put food on the table, and get their kids through school.

That's why we intend to stay in politics.

*—From remarks by AFL-CIO President Lane Kirkland, Nashville, Tenn., June 7, 1985.*

## Pension Pickpockets

AS ANYONE who has ever negotiated a contract can testify, there is no free lunch at the bargaining table.

In the give-and-take of negotiations, tradeoffs are inevitably made. An employer's pay proposal is sweetened and a union drops a bid for an additional paid holiday. Or workers make clear that this is the year to upgrade pension benefits, even if it means passing up a pay raise that otherwise would be obtainable.

When certain employer costs go up, as with premiums on health insurance, both parties are aware that this will be a factor in the next round of bargaining. And the condition of a pension fund obviously is going to influence a decision on whether to raise pensions for retirees as well as those who will retire in the future.

Because of a period of high interest rates, a number of employer-financed pension plans have built up assets that are greater than needed to assure payment of promised benefits. To a disturbing degree, employers have been shutting down pension plans, paying off workers with annuities to cover benefits they have already earned, and pocketing the difference. For some large corporations, the windfall amounts to hundreds of millions of dollars.

Morally, workers have a clear claim to a voice in the disposition of funds set aside for their retirement. But until the moral obligation is matched by a legal obligation, employers will continue to take advantage of the loophole in the pension protection law.

That's why the law needs to be changed.




**Washington Window**

# OSHA shirking its duty at hazardous waste sites

**By Press Associates, Inc.**

In January 1984, an electric equipment manufacturer's warehouse in Jacksonville, Fla., exploded, setting on fire materials containing polychlorinated biphenyls (PCBs).

Exposure to PCBs has been linked to reproductive problems, nervous system and liver damage and possible liver and pancreas cancer. PCBs easily enter the body through the lungs and skin.

At high temperatures, PCBs break down into equally hazardous chemicals, such as dioxins. Because of these hazards to humans and the environment from inert PCBs, the Environmental Protection Agency banned their production in 1977.

Despite these dangers, fire fighters called to the warehouse fire site were not informed about the presence of PCBs, according to Richard Duffy, the Fire Fighters' health and safety director. PCBs can easily penetrate the neoprene protective clothing commonly used by fire fighters.

Duffy told a House Government Operations subcommittee that after the fire, dayworkers were hired to clean up the site "without any formal training whatsoever."

Such examples from the IAFF, AFL-CIO, Teamsters and other expert witnesses led the panel to conclude that the Occupational Safety & Health Administration is failing in its responsibility to protect workers in the large and growing hazardous waste industry.

### Inadequate inspection

The blistering report unanimously adopted by the panel described OSHA inspection programs for toxic waste sites as "grossly inadequate."

OSHA inspected only six Superfund sites and 11 non-Superfund hazardous waste sites in fiscal 1984, out of thousands of potentially dangerous sites. Most of the inspections of non-Superfund sites were "partial" rather than "comprehensive," the panel noted.

What Subcommittee Chairman Barney Frank (D-Mass.) called OSHA's "Catch-22" inspection system for hazardous waste sites was denounced by the panel as "irrational and wholly unsatisfactory." Former OSHA chief Robert A. Rowland testified that OSHA targets inspections based on industries' and employers' safety and health records. But, because the toxic waste industry has not been inspected regularly, there is no record on which to base future inspection targeting, so it gets left out of OSHA's targeting system.

### Stiff requirements

Testimony from Teamsters working at waste sites documented how OSHA apparently requires a dead body before it will respond to complaints. The blinding of a worker by caustic soda from a burst pipe was not enough to bring OSHA inspectors on site.

This portrait of OSHA's current inaction is especially appalling when the potential exposure of workers in what are by definition the nation's most toxic worksites is considered.

The lowest estimate of abandoned toxic waste sites is more than 20,000. With an estimated 50 workers required to clean up an average site, one million jobs may be involved.

Without proper protections, these workers could be exposed to chemicals that cause cancer, reproductive damage and a host of other serious health problems.

Given the potential growth of the industry, it also would seem apparent that OSHA must respond to labor's demand for a comprehensive standard governing toxic waste sites that includes continuous training, engineering controls, work practice rules specfic to cleanup, medical and exposure monitoring and assessment, and expanded right-to-know rules.

OSHA has shirked its duty to protect hazardous waste site workers for too many years. A good faith start by OSHA's new leadership would include these protections among the agency's highest priorities.

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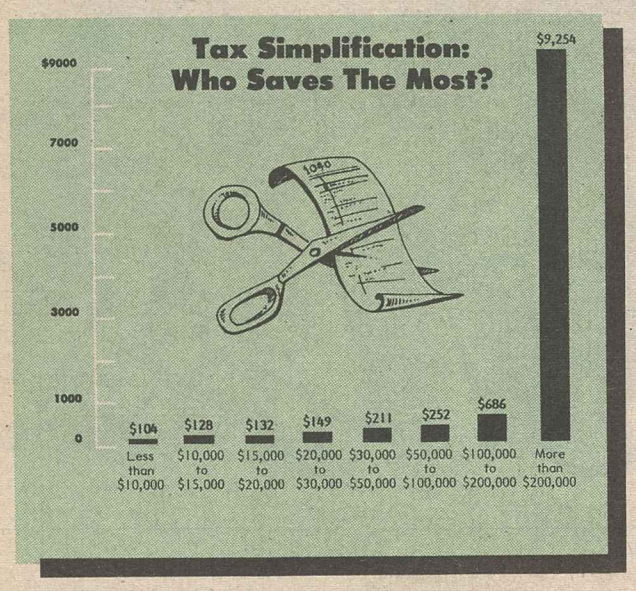
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# LEGISLATIVE ALERT!




## Rich Get Even Richer Under Reagan Tax Plan

**Statistics released by the Center on Budget and Policy Priorities show that the wealthy will fare much better than others if the President's tax plan is adopted. While the average wage earning family may notice a slight reduction in taxes, it should be noted that those who traditionally itemize deductions or take the two income earner deduction will likely be paying *more* in taxes, not less.**

## Plant Closing Bill, Double Breasting Leg. Slated For Mark-Up

H.R. 700, the important civil rights bill that would restore federal bans against discrimination, has been voted out of the House Education and Labor Committee. However, the committee adopted amendments that deal with federal funding of abortions which could seriously damage the bill's chances for passage.

The House Judiciary Committee also reported out H.R. 700, but did not address this volatile subject.

It has been the intent of Congress in passing civil rights legislation over the past 20 years that institutions which accept federal money not be allowed to use that money in situations where discrimination on the basis of race, sex, age or physical disability exists. However, in 1984, the Supreme Court weakened these statutes in its now famous Grove City decision.

H.R. 700 is simply a bill to correct this Supreme Court interpretation. It is a civil rights bill; other issues should be taken up under normal legislative procedures, not added to H.R. 700. Urge your member of Congress to support H.R. 700 from the House Judiciary Committee without substantive change.

# Do Consumers Pay When Corporations Are Taxed?

While the President's tax package is being debated in Congress, many conservatives are pushing the idea that corporations shouldn't be taxed at all. "Corporations don't pay taxes, people do" can be overheard at cocktail parties throughout the nation's capital these days, "After all," they say, "it only adds to consumer prices."

It's enough to make one stop and think, but not for long. Closer examination of some of our largest corporations shows that many of the most successful companies are also paying the most in taxes --and isn't this how it's supposed to be?

During the period 1981-83, the Whirlpool Corporation paid approximately 46 percent of its profits in taxes, while General Electric, its chief competitor, not only paid no taxes, but received hundreds of millions of dollars in refunds from the U.S. Treasury. In the showrooms, however, Whirlpool products are no more expensive than GE's.

In the oil industry, Exxon paid 34 percent of its 1983 profits in taxes, Mobil, 6 percent and Texaco received a tax refund. Yet, the price at the pump again is virtually the same for all three. So where is the impact of taxation?

Today, corporations are paying only about 8.5 percent of the nation's total tax load. But this was not always the case. During the 1950's and 60's, when the economy was setting records for economic growth and the stock market was booming, corporations were paying more than 25 percent of all taxes collected. It was largely the Reagan tax act of 1981, experts report. that accelerated the reduction in taxes paid by corporations down to a mere trickle, while guess who was picking up the slack? Families and individuals! Meanwhile, this loss of revenue from large corporations and the wealthy is in a large part to blame for the swelling federal deficit that now threatens the very future of our children.

Since it was the President who engineered this huge shift in taxes away from corporations, we can be sure of one thing: the final tax bill - if it survives - will undoubtedly suffer heavy pressure from lobbyists and rewriting of the provisions that would restore corporate taxes back to pre-Reagan levels.

## Amendment Threatens Civil Rights Measure

Mark-ups are scheduled in the House for two important worker bills. H.R. 1616, a bill sponsored by Reps. Clay, Ford and Conte to deal with the tragedy of plant closings and H.R. 281, a measure that would halt the spread of damaging double breasting by contractors. Both are slated for mark-up July 26 in the House Labor-Management Subcommittee of the Education and Labor Committee. The plant closing bill is also slated for mark-up on the same date in the Employment Opportunity Subcommittee.

As of this week, the Clay bill on double breasting had over 130 cosponsors, and proponents are well on their way to securing a floor date. The bill would require that unionized contractors apply all provisions of their collective bargaining agreement to both union and non-union parts of their operations. This would effectively halt the practice where some companies spin off a new, non-union arm to bid against itself.

The plant closing bill would go a long way toward remedying the damage that many communities and workers suffer. It would require a company to give 90 days notice before closing a plant or making permanent layoffs. The Federal Mediation and Conciliation Service would serve as arbitrator to help work out a solution between workers and owners, and it would establish a National Commission on Plant Closings and Worker Dislocation that would study the problem in depth and make recommendations for new solutions to Congress.

Senator Paul Simon (D-IL) is expected to introduce a companion bill to H.R. 1616 in the U.S. Senate soon.

## You Couldn't Pay Me To Do That

U.S. fast-food operations are paying their employees above the federal minimum wage of $3.35/hr. on the average and are having trouble finding any takers, a recent Bureau of National Affairs survey reports. Nevertheless, Senator Orrin Hatch (R-UT), with the backing of the White House, wants a new law lowering the minimum wage for teenage workers -- a measure he claims will induce businesses to create new jobs.

Provisions in existing law allow restaurants and other small businesses to pay $2.85/hr., to their young workers. The Administration is proposing that this be dropped to $2.50. Meanwhile, these fast-food companies are now paying an average of $3.59/hr. for full-time help and can't fill their positions. Several of the restaurants surveyed are paying bonuses to their employees who bring others in to work.

Perhaps Burger King would pay the Senator from Utah a bonus if he could round up a few unwitting youngsters - but not at the minimum wage!

## Pease Bill Would Save Trade Adjustment Assistance Before September Deadline

The House Ways and Means Committee has begun hearings to save the critical Trade Adjustment Assistance program which compensates workers whose jobs have been destroyed by imports. Slated to expire in September under the Reagan budget, the program is meager but vital first aid for the massive injury and job loss that millions of Americans have already suffered -- much lately the result of the U.S. $123 billion trade deficit.

What America really needs, the AFL-CIO maintains, is an expanded program that covers workers employed by independent suppliers of parts and services with more liberal standards and simplified procedures that would maximize the program's impact. But first it must be saved from extinction.

What you can do: Write your congressman and senators today, urging them to work for passage of H.R. 1926, the bill sponsored by Rep. Donald J. Pease (D-OH) in the House and S. 23, a similar measure sponsored by Senators Moynihan (D-NY) and Heinz (R-PA) in the Senate.

AFL-CIO news

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# Plant closing, contract bills gain support

Two bills high on labor's legislative priority list won subcommittee approval, clearing the way for action by the full House Education & Labor Committee.

One measure, pressed by building trades unions, would curb "double-breasted" operations by contractors who set up non-union subsidiaries to avoid complying with union agreements to which they are a party. The subcommittee-approved Construction Industry Contract Security measure would require contractors to apply provisions of a collective bargaining agreement to all their operations.

The other bill, of special importance to industrial unions, would require firms to provide at least a 90-day notice of a plant closing or the permanent layoff of 50 or more workers. If workers were represented by a union, the employer would be obligated to provide all relevant information related to the closure decision and discuss alternatives that might save jobs.

Each of the bills has more than 100 co-sponsors. Both were acted on favorably by the Subcommittee on Labor-Management Relations, whose chairman William L. Clay (D-Mo.) is a principal cosponsor. The Subcommittee on Employment Opportunities, headed by Rep. Matthew G. Martinez (D-Calif.), shared jurisdiction over the bill and approved it the same day.

Although the plant-closing measure was introduced with bipartisan support, with Rep. Silvio O. Conte (R-Mass.) as a principal sponsor, the subcommittee divided along party lines on the bill.

## Task force planned

Members of both parties, however, welcomed a letter from Labor Sec. William E. Brock declaring his intention to set up a task force with labor, management and congressional representation to study problems of plant closings and worker dislocation, and make recommendations. One of the provisions would establish a bipartisan National Commission on Plant Closings to develop policies to avoid shutdowns and assist affected workers.

Congressional action on legislation to curb double-breasted contractor operations was a major goal of more than 3,000 delegates to the national legislative conference of the AFL-CIO Building & Construction Trades Dept. held in April.

Clay, in his address to the conference, gave this succinct description of the bill: "Simply, it says that no legal loophole will be allowed which permit those contractors who have entered into a collective bargaining agreement to weasel out of it."

Building trades unions see the legislation as restoring the original intent of Congress to give prehire agreements in the construction industry the same status as collective bargaining agreements in other types of employment. The bill would prevent employers from repudiating prehire agreements without a decertification election.

# Immigration measure falls short on fairness



## Carl Perkins remembered

Mrs. Carl D. Perkins accepts the 1985 Murray-Green-Meany award on behalf of her late husband, former chairman of the House Education & Labor Committee. RWDSU President Alvin E. Heaps joins AFL-CIO Sec.-Treas. Thomas R. Donahue in presenting labor's highest honor at the federation's national Community Services conference in Boston. (Story, Page 3.)

## *Senate panel asked to work for consensus*

AFL-CIO Sec.-Treas. Thomas R. Donahue welcomed a new attempt by Congress to shape effective immigration reform legislation, but said a bill being considered by a Senate Judiciary subcommittee fails the test of fairness.

Donahue said the AFL-CIO favors legislation that would:

- Prohibit the employment of undocumented workers and penalize employers who hire them.
- Strictly forbid employment discrimination on the basis of national origin or resident legal alien status, with effective penalties for violations.
- Set up a generous amnesty plan so that aliens who came across the border illegally but have established roots in the United States can obtain legal residence status.
- Strictly limit employer use of temporary foreign workers brought into the United States.

### Safeguards inadequate

Donahue praised the enforcement mechanism of the bill introduced by Subcommittee Chairman Alan K. Simpson (R-Wyo.). It would penalize employers who hire illegal aliens, with fines mounting for repeat offenses.

But he expressed disappointment—and disagreement—with other sections of the Simpson bill. It doesn't adequately shield persons legally in the United States from employment discrimination, Donahue noted. That's been a serious concern to many Hispanics and other identifiable minority groups.

Also, Donahue protested, it would defer a legalization program for persons already in this country until a presidential commission certifies that the flow of illegal immigration has been stopped.

While the bill would let undocumented workers continue in the jobs they now hold, they would be barred from new employment. Thus their present employers "would

Continued on Page 6

# New York hotel strike settled with major gains

New York—Employees of 53 of the city's busiest hotels celebrated the end of their four-week strike with a huge rally at Madison Square Garden, where they voted overwhelmingly to ratify a new five-year contract.

The agreement, which won unanimous approval of the nine-union Hotel & Motel Trades Council's 475-member wage and policy committee, provides wage increases totaling 30 percent and substantial improvements in benefits.

"It's a great victory," Council President Vito J. Pitta said. "We got 85 percent of what we wanted."

The council, which represents 25,000 workers at 165 hotels, limited the strike to 53 luxury hotels.

Besides an average 6-percent annual wage increase, the five-year agreement provides significant improvements in pension payments and a number of new benefits, including a college scholarship fund for children of hotel workers.

Some 16,000 workers are covered by the contract. They include waiters, house keepers, bellhops, reservations clerks, chefs, bartenders and other hotel service workers.

The accord was signed June 26, and received the unanimous approval of the 25-member board of the Hotel Association of New York, the industry group that negotiated for the hotel owners.

Workers began returning to their jobs

Continued on Page 6

MEMO FROM COPE

PAGE 8

## 'Not on hazard list'

# Fireworks blast shakes OSHA

Hallett, Okla.—The Occupational Safety & Health Administration was unaware of the existence of the Aerlex Corp. fireworks plant here that exploded June 25, killing 21 workers, mainly teenagers hired to aid in filling the orders for Fourth of July fireworks displays.

Davis Layne, deputy regional administrator for OSHA in Dallas, said the agency had never inspected the fireworks plant. "We didn't have any record or indication that the facility existed. It's not on our high-hazard list at all," Layne said.

An explosion at the plant six years ago leveled two buildings, but no workers were injured. That blast was attributed to reflections of sunlight from an automobile mirror which investigators said ignited a fire. Workers had enough warning then to escape after the initial alarm.

Jim Brown, OSHA's area director in Oklahoma City, Okla., said the company was not required to report the explosion six years ago "because there were not five people hospitalized and no one was killed." He added, "We haven't inspected. We didn't know it existed."

The Aerlex plant has been producing powerful fireworks that are used in aerial displays for a dozen years. It employed more than 10 percent of Hallett's 200 residents.

Layne pointed out that OSHA is responsible for inspecting such plants along with the federal Bureau of Alcohol, Tobacco & Firearms. The BATF is concerned with the storage of explosives used at the plant, while OSHA's responsibility covers the workers' safety in the manufacturing end, Layne said.

BATF inspected the plant last February and determined that it was operating safely.

Press reports noted that some of the victims were under 18 years of age. Spokesman Bob Cuccia of the Labor Dept.'s Employment Standards Administration said it is illegal to hire workers under age 18 to manufacture aerial fireworks.

Three of the five buildings at the site were leveled by the blast that threw some of the bodies more than 200 yards. Mary Lewis, whose house trailer less than a mile from the site was shifted off its foundation, said, "They worked until late at night, and then started again real early in the morning to make all of the fireworks."

A BATF spokesman said plants like the one at Hallett use explosive black powder for aerial displays and even a slight change in temperature can make it unstable.

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# Hedging on CPI

New York—The bulls and the bears of Wall Street are having fun these days with a new gadget—a futures contract based on movement of the government's consumer price index.

The CPI futures primarily represent a hedge against inflation. Put another way, the Coffee, Sugar & Cocoa Exchange, which handles the sales, is running what amounts to a legalized gambling operation.

The players in this case are the big money rollers. Sellers are speculators such as real estate developers, banks or businesses that have borrowed heavily and are concerned that future inflation may not be as high as they had counted on. Prospective buyers include managers of pension funds, individual retirement accounts, Keough, 401k and annuity plans who fear rising inflation may depreciate their assets.

Trading in the new CPI futures began June 21. In the first three days, the exchange traded 103 of the CPI contracts.

Originally, the exchange asked permission of the government to deal in other data, including changes in monthly housing starts and banks' prime lending rates. But it settled for trading in CPI data for the time being, after the Commodity Futures Trading Commission okayed its request in April.

Trading in the CPI futures contracts no sooner got off the ground than Commissioner Janet L. Norwood of the Bureau of Labor Statistics announced new safeguards to prevent leakage of the BLS price data each month.

"This is the first time that a federally produced general purpose statistic is being sold on an exchange in the same way as grain, pork bellies, or anything else," Norwood told reporters.

If the bulls and the bears of Wall Street have their way, it won't be the last.

# IMF comparison finds value of American pay continues to lead world

American workers put in fewer hours to pay for basic food and shelter needs than nearly any other group of workers around the world.

That's the essence of a new report of the International Metalworkers' Federation comparing the purchasing power of workers' time in various countries.

The conclusion that Americans work fewer hours to buy the same item than other workers worldwide holds up in each of the five specific industries surveyed by the IMF. The industries are steel, shipbuilding, auto, electrical engineering and mechanical engineering.

Besides the United States, the countries surveyed were Australia, Austria, Belgium, Canada, Denmark, Finland, France, West Germany, Great Britain, Ireland, Italy, Japan, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the Philippines, India, Indonesia, South Korea, Malaysia, Hong Kong, Bangladesh, Mauritius, New Caledonia, Brazil, Mexico, Trinidad & Tobago, Chile, Peru, Venezuela, Colombia, Kenya and Zimbabwe.

The report, which compares average net hourly earnings of members of IMF affiliates in 1984, is based on a method of calculating "purchasing power parities" developed by West Germany's federal statistics office. The method is a system showing rates of exchange between the Deutschmark and currencies of other nations.

"One of the objectives of an international comparison of net earnings is to determine differences in standards of living between workers performing the same quantity and quality of work—differences resulting from gaps in the purchasing power of their incomes," the IMF observed.

The IMF is the largest of the international trade union secretariats, which group workers according to trade or industry. The IMF has some 160 affiliated unions representing about 12 million workers in 70 countries.

The 55-page report, which may be obtained by writing the IMF at its Geneva headquarters, lists the working time in hours and minutes that were required last year to buy various consumer items. The categories include food, clothing, gasoline, rent, durable consumer goods such as autos and television sets, as well as taxes.

## Net earnings

The survey defines net hourly earnings as the average hourly wage after deduction of workers' social security contributions.

In almost every category, the United States was clearly ahead of other countries. The average American steelworker, for instance, has to work only 12 hours and 45 minutes to buy a man's woolen suit whereas Swiss workers must put in 18 hours and 45 minutes, Swedes 31½ hours, Italians 33 hours and 45 minutes, and Japanese 28½ hours.

An American steelworker puts in only 29 hours to buy a 10-inch color TV set, compared to 140 hours in Sweden, 101 in the Netherlands, 69 in Australia, 45 in Canada, and 4,107 in Kenya.

While Americans generally bought their automobiles cheaper than other peoples of the world, some countries beat them out. The U.S. steelworker needed to work 680 hours for a car, while in Canada, the average steelworker worked only 639 hours to buy the comparable automobile; in Japan, the time was 482 hours, and in Luxemborg, 616 hours. All other countries surveyed showed longer times than the U.S. rate.

# Real earnings of workers down for month and year

Workers' buying power tumbled in May for the second straight month, largely the result of a decline in average weekly hours worked.

The three-tenths of 1 percent drop over the month in real, or inflation-adjusted, wages of nonfarm production and nonsupervisory employees also reflected a two-tenths of 1 percent rise in the government's Consumer Price Index for Urban Wage Earners & Clerical Workers (CPI-W).

Average hours worked per week fell three-tenths of 1 percent in May, the same as in April. It was another sign of steady deterioration in the nation's industrial base. The Bureau of Labor Statistics also reported a two-tenths of 1 percent decline in average weekly earnings in May, which further reduced purchasing power.

## Inflation factor

The average factory worker in May grossed $299.25 a week, but after inflation since 1977 was taken into account the average take-home weekly pay was only $171.10.

Over the year, workers' real earning power was off 1.4 percent, BLS said. Last month's drop was the fifth consecutive month in which over-the-year purchasing power was down.

Both BLS's consumer price guides—CPI-W and the Consumer Price Index for All Urban Consumers (CPI-U)—rose by two-tenths of 1 percent last month. CPI-W is used in figuring increases in certain payments such as social security under federal programs.

Three major components of the indexes—transportation, food, and clothing—posted declines in May. Only housing showed price acceleration.

The two-tenths of 1 percent rise in transportation costs reflected smaller increases in gasoline prices and declines in new and used car prices. Gas at the pump rose by five-tenths of 1 percent, compared with a sharp increase of 3.1 percent in April.

New car prices declined by two-tenths of 1 percent while used car prices dropped 1.4 percent. Food prices fell two-tenths of 1 percent, mainly the result of lower prices for meat, poultry, fish, eggs, fruits and vegetables.

The surge in housing costs—six-tenths of 1 percent over the month—reflected sharp increases in homeowner costs and rents.

# Steelworkers press efforts to keep LTV coke ovens hot

Aliquippa, Pa.—The Steelworkers won agreement from LTV Corp. to cooperate in a study to determine whether the company's coke, iron and steelmaking operations here can be independently operated.

Nevertheless, at a June 25 meeting of company officials and a coalition of union, community and political leaders, LTV said it would proceed with its planned shutdown.

The firm began shutting down the coke plant the next day. It plans to end the iron and steelmaking operations in July. Some 900 more jobs will be lost by the closings.

Rich Vallecorsa, president of USWA Local 121 said the company agreed to cooperate, to keep its doors and its books open.

"LTV isn't U.S. Steel" he stressed, in reference to a similar situation at U.S. Steel's Dorothy Six blast furnace at its Duquesne Works. There, the company refused to aid in the feasibility study and refuted its findings. But U.S. Steel is working with the union in efforts to find a buyer for the Duquesne facility.

At the June 25 meeting with LTV officials, the union officers were joined by community leaders, representatives of Pennsylvania's U.S. Senators, several state legislators, county commissioners and the mayors of Pittsburgh and Aliquippa.

A group of Western Pennsylvania representatives asked House Democrats to help them get up to $350,000 in state money for the feasibility study.

## Coke plant the key

Vallecorsa, who suggested the meeting with LTV, told the coalition and the company, "We can't predict what will happen to steelmaking or steel markets, but our steelworkers want to make steel and we believe Aliquippa Works still has a future and we can save the coke plant.

"We did everything humanly possible to keep it open," Vallecorsa said. "We did everything the company wanted—remanned departments, went from single craft to multi-crafts. It's the high volume of imports and (LTV's) merger with Republic Steel—that's what shut it down."

He explained that the plant is being shut down from "hot idle" to "cold idle," a move that could damage the inside brick oven lining if not done properly.

"I would have preferred for it to remain on hot idle during the study period," Vallecorsa said. The coke plant produced coke for use in steelmaking and a gas byproduct that was used in the rest of the mill.

The layoff of the 900 steelworkers will drop employment at the Aliquippa works to around 700, Vallecorsa said, down from a high of some 10,000 in 1981.

The plant produced nearly 3 million tons of steel per year at its peak. Now it produces none. Vallecorsa said that only the 14-inch mill, which makes small beams and other products, and the tin plate department, remain open.

## Leather Goods leader Ralph Cennamo dies

Bridgeport, Conn.—Ralph Cennamo, president of the Leather Goods, Plastics & Novelty Workers, died of cancer June 26 at his home here. He had been seriously ill for the past year.

Cennamo, who was 66, had been secretary-treasurer for seven years before he was elected president in 1982. Earlier, he served as organizing director and as an international representative. He had been a member of the LGPN since 1937.

In a message to his wife Ann, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue described Cennamo as "a staunch trade unionist and a leader who fully earned the trust and affection of the members of the union he served for nearly a half-century."

In addition to his wife, survivors include three children. Funeral services were scheduled June 29 at St. Raphael Church in Bridgeport.

# *Congress deadlocked on budget*

A House-Senate conference on the shape of next year's federal budget broke up over Republican insistence that social security recipients give up their cost-of-living increase and that military spending be further increased.

Negotiators for the Republican-controlled Senate formally broke off efforts to reconcile the differences in the budget resolutions passed by the two congressional bodies. Senate Budget Committee Chairman Pete V. Domenici (R-N.M.) said his side would not return to the conference table unless the House was willing to agree to at least some cut in the COLA or social security and government retirement plans.

House conferees had offered to allow military spending to rise in line with inflation as the Senate had sought. In effect, it would have provided a COLA for the Defense Dept. as well as for social security recipients and federal retirees. But the tradeoff was rejected by the Senate side.

House Budget Committee Chairman William H. Gray III (D-Pa.) told the Senate negotiators that the House is firmly set against cutting back inflation protection for social security beneficiaries.

The conference had made little progress on other issues in disagreement before the breakup. Both versions projected savings of more than $50 billion over the cost of continuing present programs unchanged. The Senate would do so by sharp cuts in most domestic programs and outright abolition of some. The House would trim less deeply on the domestic side but freeze the military budget.

Congress will be in recess during the week of Independence Day, returning July 8. Despite the announced breakup, there was speculation that a new effort at budget reconciliation would be made, whether in formal session or otherwise.

Failure of Congress to agree on budget goals would not prevent the normal course of congressional appropriations and authorization bills. The House and Senate could, if they choose, abide by the spending restrictions and priorities set in their respecticive budget resolutions.

While the White House expressed the hope that a conference agreement on budget restrictions can still be worked out, several participants in the negotiations faulted President Reagan for contributing to the breakdown by resisting any significant compromise on the part of the Senate. To the Reagan Administration, the budget fight is at least as much on behalf of a conservative philosophy of curtailment of the role of government as over the budget savings to be achieved.

# Role of OPIC seen factor in flight of jobs

The Overseas Private Investment Corp. has done more harm than good and should be abolished, the AFL-CIO urged.

OPIC was set up by Congress to encourage U.S. firms to invest in less-developed nations by offering insurance protection against risks arising out of unsettled conditions or civil strife.

But the effect, AFL-CIO Economist Mark A. Anderson testified, has been to encourage a flight of jobs and capital out of the United States.

Anderson's statement to the House Foreign Affairs Committee stressed the sharp growth in the U.S. trade deficit and warned that the continuation and expansion of OPIC sought in pending legislation would aggravate this country's economic problems.

America's workers are continually told of the need to make the United States more competitive, Anderson noted—often "in the form of demands for reduced wages and poorer working conditions." Meanwhile, the U.S. government refuses to follow the example of other nations that use various forms of subsidies and industrial targeting to gain an advantage.

### Negative role

But by providing a government subsidy through OPIC, Anderson said, "the U.S. is intervening in the market." The purpose of the intervention, however, isn't to help industry. On the contrary, he noted, OPIC's role is "to neutralize a significant domestic advantage—the stable and democratic environment in America."

When it last renewed the program, Congress directed OPIC not to assist any investment "likely to cause a significant reduction in the number of employees in the U.S." But "OPIC is not fulfilling these obligations," Anderson charged.

The AFL-CIO statement also expressed concern at the lack of consideration of the effects of OPIC projects on human rights.

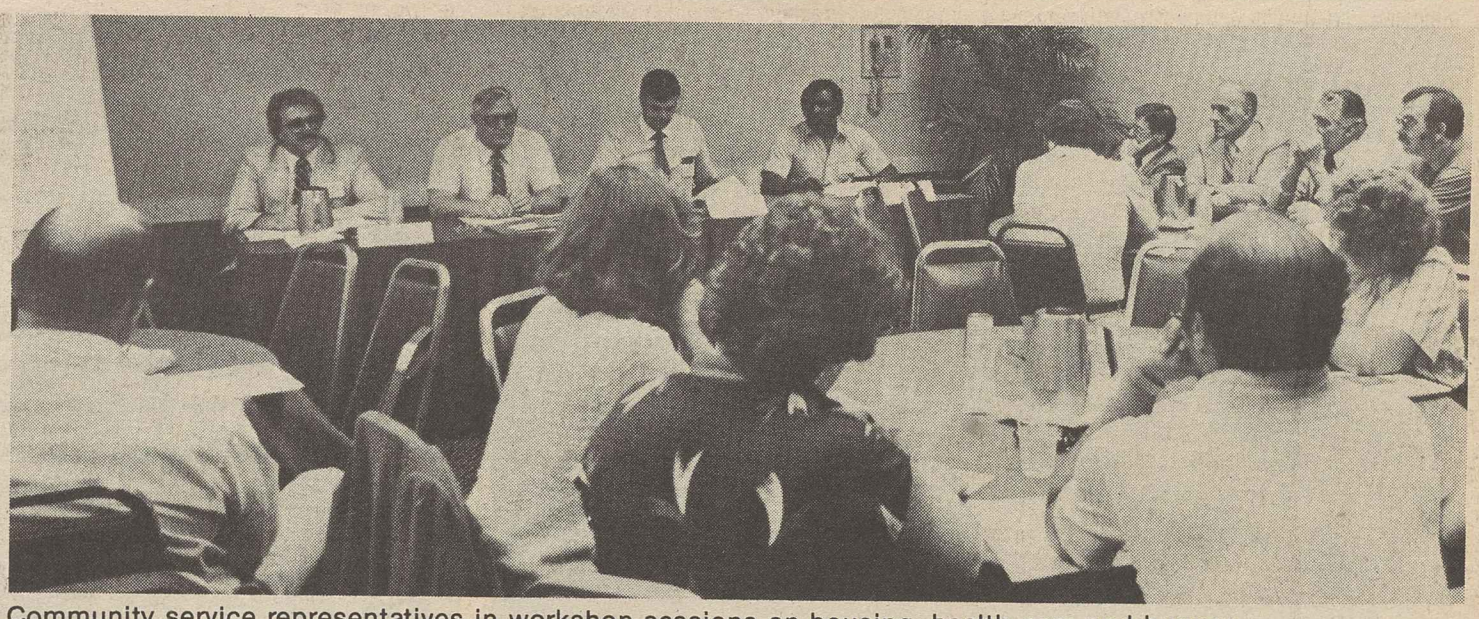
One bill before the committee would expand OPIC insurance coverage to include "loss due to business interruption."

Would that mean that the United States is going to offer a form of "international strike insurance?" the AFL-CIO statement speculated.

## UTU ousts Teamsters at Long Island Railroad

New York—The United Transportation Union ousted the Teamsters as representative of 820 maintenance of way employees of the Long Island Railroad, the National Mediation Board announced.

In the NMB-supervised representation election, the UTU drew 459 votes to 161 for the Teamsters. The IBT had represented the LIRR track crews since July 1979.



Community service representatives in workshop sessions on housing, health care and hunger.

# *Community Services conference focuses on good neighbor policy*

**By Candice Johnson**

Boston—Participants in the AFL-CIO Community Services national conference exchanged ideas and searched for new ways to lessen the hardships of growing numbers of working poor and jobless Americans.

More than 350 labor community service specialists from across the country attended the four-day session, with workshops and discussions focusing on health care, housing and food needs.

AFL-CIO Community Services Director Frank Emig said in his keynote address that labor should be proud of its years of service to union members and their neighbors. "Labor's interests extend far beyond our own ranks, and our community programs demonstrate the concern organized labor has for all citizens, in our country and in other countries that need our help."

### Economy faulted

Emig said current economic conditions are to blame for millions of Americans living in poverty, who are "denied food, shelter and medical needs." He urged the community services workers to "respond to this changing situation with our strengths and knowledge."

Boston Mayor Raymond L. Flynn welcomed the participants to the city and applauded their continuing compassion and good works in communities throughout the nation.

Flynn criticized the Reagan Administration's tax plan, warning that working families and the poor would bear the brunt of the Reagan program.

He noted organized labor's historic role in "uplifting people and fighting for shelter, food and job opportunities," stressing that advocacy must continue. "Our job is to make certain we close the gap between rich and poor. There must be economic justice for all people," he concluded.

Dr. J. Larry Brown, chairman of the Physicians' Task Force on Hunger in America, said no segment of the American public has lost more ground in the war against hunger than working people. "The new poor" are the once productive families now found in breadlines across America, Brown said.

According to the Census Bureau, the number of poor in America has grown to 35 million—an increase of 10 million since 1978.

Brown said the most recent tour of the physicians' group found real hunger throughout the nation, from the Mississippi Delta to New Mexico's Rio Grande Valley, where church officials see poverty as the worst in 15 years.

"Hunger in America's breadbasket was perhaps most upsetting," Brown said, where children in Illinois suffered from advanced nutritional diseases common to third world countries.

Brown noted that 20 years ago the federal government acted promptly to eradicate malnutrition through food stamps and other feeding programs. Although poverty still existed, ten years later the task force found hunger virtually eliminated.

"Now in 1985, hunger has returned to America," he said.

Brown blamed the Reagan Administration's sharp cuts in food programs and high unemployment for the return of hunger, calling it "the predictable consequence of known government policies. Hunger was caused by government and can only be solved by government. We can feed people if our priorities are right," he stressed.

Workshops gave participants an opportunity to review strategies for helping the needy in their communities. "Operation Can," organized by Nancy McCormick of the Auto Workers in Richmond, Ind., involved food collection efforts in a smaller community while Clarence E. Watz of the Steelworkers recounted labor's campaign in Pennsylvania to win the nation's first state mortgage assistance program.

One session was devoted to improving labor's image in the media and the community. AFL-CIO Information Director Murray Seeger said organized labor's mission is positive and progressive and that "union members must fight back against errors and misconceptions held by newspapers, radio and television."

### Media relations

Loretta Ucelli, assistant to Government Employees President Kenneth T. Blaylock, outlined a program for union members to become more familiar with the news media, and Machinists Communications Director Robert J. Kalaski urged participants to inform local press and television of their community activities.

"Tell them what you're doing," Kalaski said. "Show them we're concerned about hunger, housing, joblessness, the elderly, for all workers, union and non-union."

Other speakers included William S. Hoffman, director of the Auto Workers social security department; Michael R. Lemov, executive director of the Food Research & Action Center; Jo-Ann Eccher, director of Boston's Project Bread Hunger Hotline; and Allen J. Fishbein, director of the Neighborhood Revitalization Project.

## Unions negotiate 72 new contracts at Beverly chain

The two AFL-CIO unions making deep inroads in organizing Beverly Enterprises, the nation's largest nursing home chain, are following up their gains with solid contract settlements.

Since the first of the year, the Service Employees has settled contracts at 37 Beverly nursing homes, bringing to 43 the number of homes in the chain now under SEIU contracts.

Over the same time span, the Food & Commercial Workers has negotiated contracts at 35 Beverly facilities.

"The winning of the contracts means we really have put down roots in this company," UFCW President William H. Wynn declared. "Our organizing at Beverly this year has risen to a great extent because of our success in negotiating decent first contracts."

The Beverly organizing wins and contract gains are the result of a national accord reached between the unions and the company last year under which the company agreed to allow its workers to organize and bargain in a "non-coercive" atmosphere while the unions agreed to drop a two-year "corporate campaign" against the firm.

Beverly owns or operates some 940 nursing homes in 44 states. The two unions estimate that about 9,000 of the chain's 87,000 employees are now unionized.

So far, the unions have won 62 representation elections at Beverly homes in 21 states while losing only 27. Wynn noted that the UFCW recently launched a major drive at Beverly homes in Florida, and SEIU is keeping up its organizing efforts at the company.

## Carl Perkins remembered

# Labor honors a valued friend

Boston—Rep. Carl D. Perkins (D-Ky), the longtime chairman of the House Education and Labor Committee was posthumously honored during the AFL-CIO Community Services Conference here as the recipient of the federation's 1985 Murray-Green-Meany award.

Perkins was selected by the AFL-CIO Executive Council to receive labor's highest tribute for humanitarianism for his lifetime of service on behalf of American workers.

The award, which includes a medallion and a $10,000 grant was presented to Mrs. Perkins at a dinner in conjunction with the AFL-CIO community services national CSA conference.

In making the presentation, AFL-CIO Sec.-Treas. Thomas R. Donahue recalled Perkins's role in the drive for full employment, higher education and dignity for working people.

"No man ever understood better than Carl Perkins the meaning of work, the dignity of work, and the need that men and women have for work that makes them productive, self-supporting and self-reliant," Donahue said.

In all the battles for a fair minimum wage, job safety and education and training, he observed, "America's working people could count on having Carl Perkins at their side. He played a part—an indispensable part—in the enactment of the most humane and liberating social legislation of the last quarter-century."

### Continuing struggle

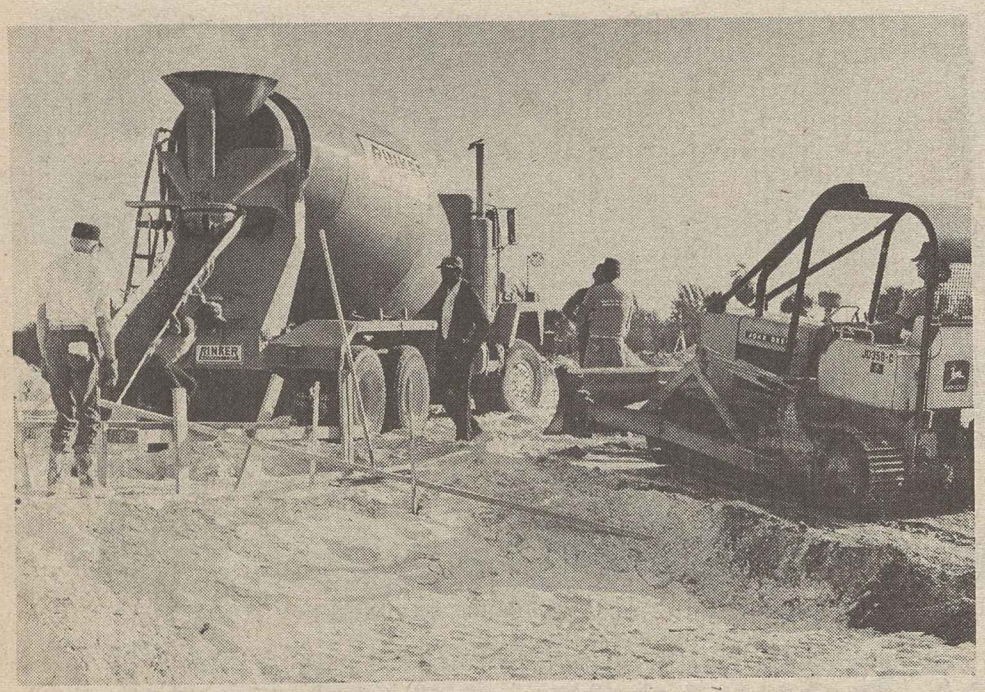
Donahue pledged that the labor movement would continue, "in our friend's courageous and humane spirit, the struggle to make our country the healthiest, best-educated, most protective and most creative society that human beings can achieve."

Donahue was joined in the awards presentation by AFL-CIO Vice President Alvin E. Heaps, head of the Retail, Wholesale & Dept. Store Union and chairman of the federation's Committee on Community Services.

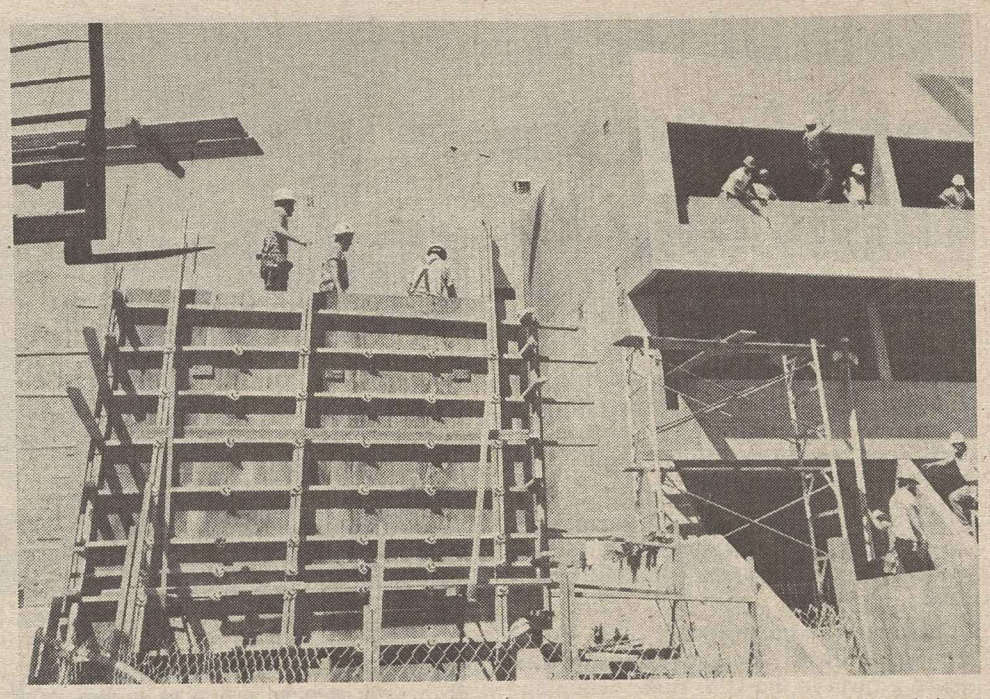
Perkins, who was born in Hindman, Ky., began practicing law in 1935. He was elected to Congress from the state's 7th District in 1948 and became chairman of the House Education & Labor Committee in 1967. A staunch advocate of antipoverty programs, federal aid to education and civil rights, Perkins led Congress in enacting the Elementary & Secondary Education Act, full employment legislation and other programs to aid working Americans. He died in 1984.

Mrs. Perkins accepted the honor on her husband's behalf and said the cash award would be donated to the Carl D. Perkins Memorial Scholarship trust fund, established to give college grants to needy students in the Hindman area.

The Murray-Green-Meany Award is presented annually as a memorial to AFL and CIO leaders William Green and Philip Murray and George Meany, first president of the merged federation. Last year's winner was Rep. Claude D. Pepper (D-Fla.). Previous winners have included Msgr. George G. Higgins, Danny Thomas, Walter F. Mondale, Presidents Harry S Truman and Lyndon B. Johnson, and Eleanor Roosevelt.



Operating Engineers Local 675 pension fund will help generate about $150 million of union construction work in the next five years in Florida.



In Palm Springs, Calif., Marquis Resort hotel is being built by union labor and will be staffed by unionized workers. It will open on Labor Day.

# *Court clears job-creating pension fund investments*

Fort Lauderdale, Fla.—A federal court ruling here has boosted the opportunity for trustees of so-called Taft-Hartley pension funds to make job-creating investments in construction projects and real estate.

The 52-page decision by Judge Jose A. Gonzalez, Jr., of the U.S. District Court for Southern Florida held that the trustees of the Operating Engineers Local 675 pension fund did not violate the "prudent man" provisions of the Employee Retirement Income Security Act in its financing, construction and leasing of a new headquarters building for the fund and the local union.

The judge said the Labor Dept. failed to prove in its 1981 lawsuit that the trustees had breached their fiduciary duties to the pension plan's participants and beneficiaries.

Uncertainty over the Labor Dept.'s narrow interpretation of the "prudence" rules of ERISA had caused many trustees of Taft-Hartley pension funds—those jointly administered by union and employer representatives—to avoid making investments in real estate ventures.

Many union pension trustees, especially in the building trades, have wanted to aid their members through investments that would create jobs and work for the pension plan participants.

There is an estimated $80 to $100 billion in jointly trusteed pension fund assets, but only 4 to 5 percent of that amount has been invested in real estate.

The Labor Dept. has taken a hard line on ventures to create jobs or work, so-called social investing, at the possible expense of returns on equity.

Local 675 Business Manager Dennis Walton, chairman of the fund's trustees, said, "This ruling vindicates our position; we were right from the start. We have generated more than $200 million in union-built construction including a $150-million project now underway."

"Job-creating investment is legal. It can work as long as you do it with diligence and care," said Atty. Gerald M. Feder, who argued the case for the trustees.

Martin Levenson, an actuary for Segal Advisors, Inc., whose firm works with a number of union funds, said, "There is nothing in the law that prevents these investments, but many trustees were apprehensive about the way the Labor Dept. interpreted the provisions."

## Law clarified

He pointed out that the ruling clarifies the investment provisions of the law. As long as the trustees approach these investment decisions in a prudent way, they will be on safe ground, Levenson said.

The documentation of the investment procedures by the trustees of Local 675's pension fund "was a key element in convincing the judge of their prudence" in investing, he stressed.

The Labor Dept.'s case centered on purchase of a 95-acre parcel of land in Pompano Beach by the pension fund to construct a building and leasing a part of it to the union. The venture was financed by the fund.

The land was bought in August 1979 for $2.37 million. Eighty acres of that parcel was sold recently to a Dallas-based developer for $13.9 million.

Local 675 leases 60 percent of the 11,258-square-foot building that cost $1.8 million to build. The union's rent is designed to provide the pension fund an average annual return of 10 percent during its five-year lease.

Judge Gonzalez criticized the Labor Dept.'s lack of evidence, noting, "The department's charges are indeed serious, but its bark is worse than its bite."

The ruling noted that the "prudence" rule demands that fudiciaries perform their duties "with the care, skill, prudence and diligence...that a prudent man acting in a like capacity...would use."

Judge Gonzalez pointed out that ERISA requires only that the trustees "vigorously and independently investigate the wisdom of a contemplated investment; it matters not that the investment succeeds or fails, as long as the investigation is intensive." He stressed that the Local 675 trustees "always worked with current information, and often hired independent consultants to verify the earlier work of other advisers."

The decision defended the prudence of the trustees' decisionmaking, noting they "continually sought the advice of their attorneys," employed professional engineers for test borings, obtained two appraisals before purchasing the property, selected both the designer and contractor by competitive bidding, hired an independent real estate manager to negotiate a lease with the union, and eliminated certain aspects of the project when it appeared to be over budget.

The judge declared in his ruling that if the trustees' action is not prudent as defined by the regulations, "then virtually nothing they would have done would have been prudent in the (Labor Dept.'s) view short of forgoing the project altogether. Arguably 'that' view would be imprudent given the plethora of information available to the trustees suggesting that the project was going to be a smashing success!"

Although the Labor Dept.'s lawsuit had charged the trustees with a variety of violations, the judge elected to try initially only the issue of "prudence." He had previously dismissed charges that the fund's mortgage program and construction of the office building violated ERISA. He had also refused to consider charges that the fund had improperly reimbursed the union for services provided by Walton.

## Labor Dept. rapped

The court rapped the Labor Dept.'s arguments that the pension fund overpaid for construction because it used union labor, and that it undercharged the local for rent. He particularly found fault with the department's expert witness who had used incomplete cost data and failed to take into account certain factors relating to the cost of the building.

The judge also rejected the Labor Dept.'s contention that developers' fees should have been built into the rent charged the union, even though no developer was used on the project.

He also struck down the idea that the fund should have calculated the cost of capital used in financing construction the same as if it had been borrowed from an outside source. The ruling held the use of pension funds to finance construction to be prudent.

# AFL-CIO urges denial of trade preferences to nations that violate their workers' rights

The AFL-CIO called on the Reagan Administration to deny special trade status to nine countries that it said are "flagrant violators" of basic workers' rights.

Each of the countries—Chile, Guatemala, Haiti, South Korea, Nicaragua, Paraguay, the Philippines, Romania, and Suriname—are guilty of "many or all of the following violations," the federation charged:

- Suppression of independent unions.
- Restrictions on the freedom of association and collective bargaining.
- Punishment of striking workers.
- Denial of the right to strike.
- Intimidation, arrest or murder of union activists.
- Use of forced or compulsory labor.
- Torture and beating of imprisoned trade unionists.

## GSP provisions

In testimony before a government interagency panel, Executive Director Eugenia Kemble of the AFL-CIO's Free Trade Union Institute urged that the nine countries be denied any further right to ship certain goods duty free into the United States under provisions of the Generalized System of Preferences (GSP), a part of the Trade & Tariff Act.

The Act was amended by Congress in 1984 to mandate the exclusion of countries that violate labor rights.

"We know that there are real teeth in the new GSP trade union rights provisions," Kemble told the GSP subcommittee of the Trade Policy Staff Committee.

"While there are a number of other GSP beneficiary states which violate worker rights, we are here to urge the United States Trade Representative and the President to strike those countries from the list."

Kemble said the violations came to light from reports by the AFL-CIO's own extensive network of international affairs specialists, the International Confederation of Free Trade Unions, investigations by the International Labor Organization, the news media, U.S. government reports, and eye witness accounts.

Auto Workers President Owen Bieber, singling out South Korea as a violator of worker rights, charged that that country's military government is a major obstruction in the development of trade unions.

In testimony submitted to the panel, Bieber said some Korean auto workers last year earned between 64 cents and $1.19 an hour, and worked 50 to 60 hour weeks without overtime premiums.

"Those low wages and long hours are due largely to their government's repression of the trade union movement there, which should be the vehicle to improve the situation," he said.

Kemble said the AFL-CIO welcomed inclusion of the worker protections in the Trade & Tariff Act even though it has been critical of a number of provisions in the law.

In the past, the federation has sought removal of South Korea, Taiwan, and Hong Kong from the GSP list, mainly because these countries are well developed and do no longer need to be given preferential treatment.

## New standards

She said labor also welcomes inclusion in the GSP of standards concerning workplace safety and health, minimum age for the employment of children, minimum wages, and hours of work.

"We seek to use this forum to draw attention to some of the most blatant offenders of worker rights and to test the strength of the new GSP legislation," Kemble told the panel.

Her testimony was accompanied by a description of the current status of trade unionism in each of the nine countries cited.

# *3 TWA unions fight Texas Air takeover tactic*

Three unions at Trans World Airlines have formed a coalition to head off the planned takeover of the carrier by the anti-labor Texas Air Corp.

The unions—Machinists, Air Line Pilots and the unaffiliated Federation of Flight Attendants—are currently in negotiations with TWA and are concerned about the effect of a Texas Air takeover.

The union coalition was formed after Texas Air announced it would acquire TWA if outside financing were available. Texas Air is the parent company of Continental Airlines and New York Air—two carriers that have flouted labor law.

Texas Air's chief executive officer, Frank Lorenzo, was at the helm two years ago when Continental filed for bankruptcy, unilaterally abrogating collective bargaining agreements and sharply reducing the size of the workforce.

The three TWA unions are exploring their options, including a possible buyout of the airline.

Bargaining on a new Machinists contract covering some 12,000 mechanics has been going on since last October. The ALPA contract covering 4,000 pilots expires at the end of June, and the attendants have been holding mediated talks since May 1984.

## Tripartite concept upheld

# ILO conference acts on job safety, health

Geneva—Measures to improve occupational safety and health protections of workers highlighted the 1985 annual conference of the International Labor Organization.

Other significant decisions taken by ILO delegates included the adoption of new conventions, recommendations and resolutions on equal employment opportunities for women, better statistical input from governments, and help for famine-stricken Africa.

One conference resolution called for the economic isolation of South Africa to signal the world's revulsion at that nation's apartheid policy.

The three-week conference saw the Soviet bloc totally rebuffed in its efforts to dilute the ILO's tripartite structure and weaken its supervision of labor standards. Many participants termed the conference the most successful in recent years.

ILO Director Francis Blanchard of France commended the 2,000 delegates from the 141 participating nations for approving a two-year budget totaling $253 million.

### Larger role

Blanchard, noting the "lack of acrimony" in the debates, said this will enable the ILO to take a larger role in global industrial relations. He said it will also permit the organization to convene a high-level technical meeting in 1986 on unemployment problems, with the participation of government officials, trade union leaders and international economic organizations.

Key conference actions included:

• Recommendations to promote the development of occupational health services covering workers in all branches of economic activity, with the stated goal of eliminating job-related health risks and improving the working environment.

• A resolution expressing "deep concern" at the increasing risks and growing number of accidents in handling hazardous substances and chemical products. It urged government-worker-employer action to reduce hazards.

• Preparation for adoption at the 1986 conference of safety standards on the use of asbestos. A draft text calls for stricter national laws restricting the use of certain types of asbestos, regulating exposure, and setting standards for demolition of buildings containing asbestos.

• A convention urging governments to improve labor statistics and provide more reliable information to monitor and plan economic and social progress.

• A resolution calling for food programs for African countries and increased ILO assistance.

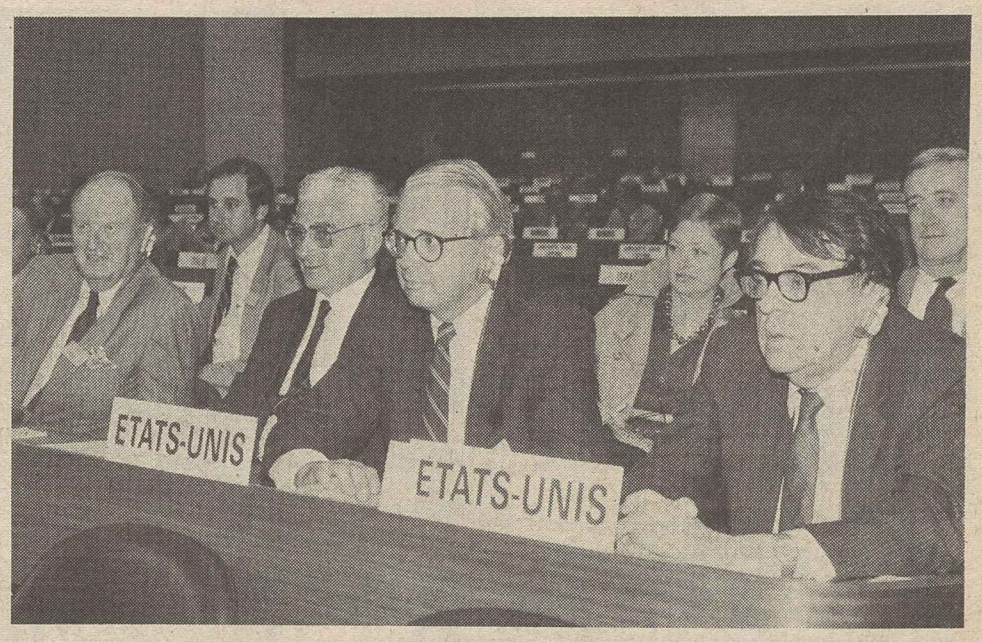
In his closing address, Blanchard chided the communist bloc—though without naming the Soviet Union and its satellites—for its challenge to ILO authority.

"Standard-setting is the foundation of this international organization," Blanchard said. "By joining the ILO, states have freely accepted in advance the obligations arising out of the constitution. They freely accepted the procedures of the ILO."

Blanchard strongly urged the strengthening of collective bargaining between free and independent employer and worker organizations, an ILO basic principle which the Soviet bloc is trying to modify.

"Nothing would be more harmful to the interests of the workers than to set about weakening trade unions, or the placing of employer organizations under the government's thumb or, on the contrary, giving them too much power," Blanchard declared.

As for the Soviet bloc claim that progress can only be achieved through "class struggle," Blanchard retorted that "this was not the feeling of a large majority" of the conference participants.




U.S. delegates to the annual ILO conference included, from left, Charles Smith, representing employers; Tony Freeman, special assistant to the Secretary of State for international labor affairs; David Peterson of the Commerce Dept., and AFL-CIO International Affairs Director Irving Brown.

# Kirkland lauds ITU efforts to repel Teamster takeover

The Typographical Union's efforts to repel a takeover attempt by the unaffiliated Teamsters have the full support of the AFL-CIO and its member unions.

AFL-CIO President Lane Kirkland assured ITU President Robert S. McMichen in a letter that the federation "continues to stand solidly with you and the entire ITU membership.

"Your fight to protect the proud ITU tradition of democratic unionism and to keep your union within the mainstream of organized labor deserves, and has, our fullest support," Kirkland said.

ITU members will be mailed ballots on July 8 to vote whether to merge with the Teamsters. The ballots will be tallied Aug. 21.

Kirkland pledged that the more than 700 AFL-CIO central labor bodies are prepared to assist the ITU locals "confronted with the Teamsters aggressive takeover effort."

ITU area meetings were held in Toronto and Winnipeg with others set for New York on June 30, St. Louis on July 6 and San Francisco on July 7 to explain and debate the Teamster document. All five officers of the union—those in favor of merger and those opposed—have been debating the issue in their monthly Typographical Journal columns, and pro- and anti-merger groups have promoted their positions in general membership mailings.

The Typographical Union, founded in 1852, represents 45,000 active and 30,000 retired members. All 75,000 members are eligible to vote in the referendum.

### '83 election

The balloting, to be conducted by the American Arbitration Association, is on a merger document drawn up by former ITU President Joseph Bingel after he lost the presidency in November 1983 to McMichen by more than 5,000 votes, but refused to yield the office. McMichen won a Labor Dept.-supervised rerun election by 13,000 votes.

Between elections, Bingel and his executive council drafted a merger proposal with the Teamsters and tried to rush it to referendum. That effort was blocked by a federal court injunction and later by convention action. The injunction was lifted and a merger document between the ITU and the Graphic Communications Union stalled after having been approved by the executive councils of both unions. Last March, the GCIU council in March 1985 withdrew its support for the agreement citing a lack of time for full consideration.

### Others interested

Since then, the Machinists and the Communications Workers have both expressed interest in starting merger talks with the ITU if future discussions with GCIU are unproductive.

Kirkland, who has strongly urged the ITU to merge with an AFL-CIO affiliate, noted the "considerable progress" the union made toward merging with GCIU and the interest of "other appropriate AFL-CIO affiliates."

"I know that defeat of the Teamsters will enable a proper merger to occur quickly and smoothly," Kirkland said.

# *UTU cracks rail impasse, 12 unions continue talks*

The United Transportation Union reached a tentative agreement with the nation's major railroads, wrapping up a year of negotiations that ended in the hands of federal mediators.

Details of the settlement with the National Railway Labor Conference, the industry's bargaining arm, were withheld pending ratification.

The UTU is the largest operating union, representing conductors, trainmen, and firemen. Its members account for approximately one-fourth of the 350,000 workers employed by the nation's Class I carriers, which move about 95 percent of all rail freight in the country. Conrail is not included in the agreement.

The UTU agreement covers wages, work rules and other contractual matters such as insurance and benefits. It replaces a contract that had been open for renegotiation since July 1, 1984.

Under the union's constitution, ratification of the accord must be completed within 21 days after the proposal is distributed to UTU's 400 general chairmen across the country. Local chairmen in turn poll members. A final tally is expected by the end of July.

Walter C. Wallace, a member of the National Mediation Board, had sat in on the talks since last December.

Meanwhile, 12 other railroad unions continue to bargain with the carriers. The Yardmasters are negotiating directly with the NLRC. The unaffiliated Locomotive Engineers, the other operating union, is taking part in mediated sessions. Chairman Helen Witt is scheduled to meet with representatives of the railroads and 10 railway craft unions on July 8.

The 10 craft unions are the Signalmen, Carmen, Maintenance of Way Employees, Railway & Airline Clerks, Machinists, Sheet Metal Workers, Boilermakers & Blacksmiths, Firemen & Oilers, Train Dispatchers and Electrical Workers.

# Tax shelter held wrong approach to job training

The AFL-CIO called for a national commitment to full employment and urged rejection of a House bill that would encourage workers and employers to put aside tax-sheltered money to help pay for any future retraining needs.

Legislation to authorize individual training accounts through employer-employee contributions of $250 a year is being considered by the House Subcommittee on Employment Opportunities. It's the wrong approach, AFL-CIO Legislative Director Ray Denison wrote Subcommittee Chairman Matthew G. Martinez.

### Jobs for all

"Jobs and training for all workers, including displaced workers, must be part of the nation's basic economic and social policy," Denison insisted. "Job information, job counseling, and job training and placement services should be fully and freely available to all workers."

Denison acknowledged that the programs now in place to deal with job dislocation and training are inadequate. But the solution is not to relegate the problem to inadequate individual responsibility, he stressed.

Instead, Denison urged, "job and training programs for displaced workers and youth should be greatly expanded and training allowances should be provided. There should be more targeted job training opportunities for adult workers, including women and minorities."

By contrast, he said, the proposed legislation would "add to existing problems with the federal tax code" and would raise new problems of fairness "by failing to address the needs of those already unemployed or displaced and those who cannot afford to set aside a portion of their earnings in an individual training account."

# Student grants hold key to college

Federal grants to needy college-bound students should be continued and expanded, not cut back, the AFL-CIO urged at House hearings.

The Pell Grants program, which the Reagan Administration wants to further restrict, has already shrunk in value through inflation and budget restrictions of recent years. The Administration budget would cut back funding still further.

AFL-CIO Education Director Dorothy Shields noted in her testimony that some three-fourths of the students receiving Pell Grants come from families with incomes below $15,000 a year. Nearly one-third are minority students.

Since 1979, she noted, the value of Pell Grants has shrunk from 46 percent of average college costs to less than one-third.

"Unless this pattern is reversed," Shields warned, "large numbers of low- and middle-income qualified students will conclude that they cannot afford to go to college."

Shields stressed the labor movement's commitment to the principle that ability to pay should not restrict access to higher education. Each of the four budgets President Reagan has submitted sought cutbacks in student aid, Shields noted. She commended Congress for resisting many of them.

Now, she urged, reauthorization of the higher education assistance program gives Congress an opportunity to increase the level of student assistance and ease some of the restrictions on eligibility.

She urged that the basic grant for eligible students be set at $2,600 for the 1986-87 academic year, or $500 more than was actually funded for the current year. The amount would rise by $200 a year. Pell Grants are reduced by the amount the student's family would be expected to contribute based on household income.

Shields also proposed a more adequate formula for covering the costs of college expenses, including books, transportation, and room and board.

If access to college education is defined "not by ability but by bank balance," Shields told the House Subcommittee on Postsecondary Education, "workers and their families will be the poorer for it." But, she stressed, "so will America."

# Hotel unions get 30% raise in N.Y. strike

**Continued from Page 1**

immediately following the membership vote.

The strike began June 1, when the old contract expired. Before the walkout, the council settled with four independent hotels on wage increases that approximated the final agreement.

The old agreement paid hotel workers an average weekly salary of $315 to $320.

The new contract calls for salary increases of 6.5 percent in the first year, 6 percent in the second, and 5.5 percent in the third and fourth years.

Pension benefits will rise from $262 to $300 a month over the next three years.

New benefits include a prepaid legal plan, nurseries for newborn children, an alcoholism and drug treatment program, and eyeglasses.

Pitta said the agreement also calls for full amnesty of the striking workers.

"This was not an economic strike. It was an attempt to beat the union," Pitta said in praising the workers' solidarity. Pitta issued a warning to hotel owners who may be seeking a so-called union-free environment. "They won't get it in New York," he stressed.

The unions comprising the council are the Hotel Employees & Restaurant Employees Local 6, Electrical Workers Local 3, Operating Engineers Locals 94, 94A and 94B, service Employees Local 144, Firemen & Oilers Local 56, Painters Local 1422, Office & Professional Employees Local 153, Upholstery Workers Local 43, and Carpenters Local 1.



AFL-CIO Sec.-Treas. Thomas R. Donahue, with Legislative Rep. Jane O'Grady, gives labor's proposals for immigration reform at Senate hearings.

# Donahue calls for changes in immigration reform bill

**Continued from Page 1**

be given virtually unchecked power" over the terms and conditions of their employment, Donahue pointed out.

On the issue of temporary foreign workers, the legislation "does just the opposite of what a reform bill should do," Donahue testified.

"It turns over the production and harvesting of America's crops to imported short-term "guest workers," Donahue charged. The result, he warned, would be a new "bracero program," similar to the long-abandoned policy of contracting for the importation of Mexican farm labor, but without even that program's minimal safeguards against exploitation.

Such a program "exacts too high a moral cost from this country to be tolerated," Donahue testified.

In the last Congress a House-Senate conference committee deadlocked on immigration legislation and no final action was taken. Donahue praised Simpson's efforts over the years to shape a bill acceptable to the many groups affected. He said the AFL-CIO believes that "immigration legislation is necessary" and is prepared to work with congressional committees to develop an effective bill.

Donahue said the AFL-CIO remains hopeful that differences on the nature of immigration reform can be resolved.

When Congress last considered immigration legislation, he noted, the Labor-Management Group made up of union and business leaders agreed to the urgent need for "a system of identification and employment record verification that protects local workers and U.S.employers while prohibiting the employment of undocumented workers."

"We still believe those solutions can be achieved," he stressed, "so that legislation can be passed that would establish tough and enforceable sanctions against employers who hire the undocumented as well as against employers who discriminate against individuals who are legally entitled to work." Such a bill, he said, would also "establish a generous legalization program to allow and encourage participation to the maximum extent feasible by those persons who, since their original unlawful entry, have settled and developed roots in this country."

# New trade bill gains strong endorsements

A bipartisan bill to update U.S. trade laws to cope with unfair tactics by foreign producers has been introduced in the House and Senate with strong endorsement from a coalition of unions and businesses.

The legislation would allow industries to seek relief from import penetration resulting from actions of foreign governments in targeting portions of the U.S. market and providing various subsidies and incentives so that their exports will have a trade advantage.

One provison would identify as an unfair trade practice a policy by a government of indirectly subsidizing exports by underpricing government-owned or controlled natural resources that are sold to its exporting companies.

Industrial Union Dept. President Howard D. Samuel said existing U.S. laws and policies fail to deal effectively with targeting practices aimed at establishing foreign products in the U.S. market. Samuel is co-chairman of the Labor-Industry Coalition for International Trade (LICIT), which includes top officers of nine AFL-CIO unions and as many corporations. Corning Glass Works Chairman Amory Houghton, Jr., is LICIT's other co-chairman.

## Bipartisan support

Many of the cosponsors of the legislation joined industry and union leaders at a Capitol Hill news conference to mark the introduction of the bill. It's principal sponsors in the House are Representatives Frank Guarini (D-N.J.) and John J. Duncan (R-Tenn.), both members of the Ways & Means Committee. The principal Senate sponsors, John Heinz (R-Pa.) and Max Baucus (D-Mont.), serve on the counterpart Senate Finance Committee, which also has jurisdiction over trade matters.

It makes clear that enhanced competitiveness in the marketplace is one of the goals of trade policy, with safeguards to assure that consumers will not be the losers if temporary import restrictions are imposed.

Oil, Chemical & Atomic Workers President Joseph M. Misbrener predicted at the news conference that stronger international curbs on unfair trade practices would have a healthy effect on world trade, increasing commerce among nations under improved international rules.



Support for new trade modernization bill is voiced by Industrial Union Dept. President Howard D. Samuel at Capitol Hill news conference. With him are, from left: Sen. John Heinz (R-Pa.); John Ong, chairman of B.F. Goodrich Co.; Amory Houghton, Jr., chairman of Corning Glass Works; Rep. Frank Guarini (D-N.J.), and Sen. Max Baucus (D-Mont.).

# Improved job injury benefits pressed by Arkansas unions

Hot Springs, Ark.—Workers' compensation improvements head the Arkansas AFL-CIO's goals for the next session of the state legislature.

Delegates to the state federation's 15th biennial convention also called for strong right-to-know measures to protect workers from toxic hazards; automatic adjustment of the state minimum wage when the federal rate increases, and renewed efforts to lessen the state tax burden on lower-income people.

Workers compensation benefits in Arkansas are 51 percent below the national average even though many jobs in the state are among the most hazardous in the country, the convention resolution noted. It cited a report that in one recent year 154 workers were killed on the job and more than 40,500 were injured. The convention endorsed a state referendum for improvements in benefits scheduled for the 1986 general election.

AFL-CIO Sec.-Treas. Thomas R. Donahue stressed in an address to the delegates that the federation would continue its fight against taxation of employer-paid benefits that President Reagan favors in his tax plan.

"At the same time the President is talking about 'succumbing to special interests' on the subject of tax reform," Donahue said, "it is the President himself who succumbed to the oil, gas and other wealthy interests."

Donahue noted that Senate action to strip Davis-Bacon prevailing wage protections from most military construction was accomplished with the vote of four Democratic senators who misled the labor movement—including Arkansas' Dale Bumpers.

Other speakers included President Kenneth T. Blaylock of the Government Employees, National COPE Director John Perkins, Gov. Bill Clinton and Sen. Bumpers.

In other convention action, President J. Bill Becker was re-elected for a new two-year term along with Sec.-Treas. Jim D. Clark and Vice-President Tom McFalls. Also elected was the 20-member executive committee.

# Lee Minton dies, led Glass Bottle union 25 years

Fort Myers, Fla.—Lee Webb Minton, retired AFL-CIO vice president and president emeritus of the Glass, Pottery & Plastics Workers, died June 22 at his home here. He was 73.

Minton joined the Glass Bottle Blowers, a forerunner union of the GPPW in 1937. He served on the union's executive board for several years before he was elected treasurer in 1945, vice president in April 1946, and president in August 1946. Minton headed the union for 25 years until his retirement in 1971.

In a message to his family, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said Minton's life was one of devoted service to America's working people. "He was a staunch trade unionist whose diligence and leadership touched many lives."

Minton was a member of the AFL-CIO Executive Council from 1956 to 1975. He also served on the board of trustees of the American Institute for Free Labor Development and as an advisory board member of the Agency for International Development.

# *Schedule of Labor Studies Center courses*

The George Meany Center for Labor Studies will offer six institutes and workshops during July and August. The schedule:

**TV: The Cool Medium,** June 30-July 3—A three-day workshop to coach officers of AFL-CIO central bodies on working with television reporters and facing the video cameras.

**Corporate Finance & Investment Practice,** July 9-12—A program to examine investment banking, corporate acquisitions, mergers, leveraged buyouts and the general financial behavior of U.S. corporations. The program is cosponsored by the Food & Allied Service Trades and the Industrial Union Departments.

**Bargaining for Improved Health Care Benefits,** July 21-24—An institute to equip union negotiators to deal more effectively with single employer health care benefit programs.

**Arbitration Techniques: Preparation & Presentation,** Aug. 4-9—An institute concentrating on the presentation of mock grievance cases before professional arbitrators. The exercises are videotaped for self criticism.

**Newswriting & Editing for Union Publications,** Aug. 11-16—A workshop for editors and would-be editors on the basics of producing union publications, cosponsored by the International Labor Communications Association.

An off-campus institute on arbitration techniques will be offered at the University of Colorado, Boulder, July 28-Aug. 2.

More than 65 union leaders will be on campus July 28 to Aug. 2 for their semi-annual week-in-residence. They are working for bachelor of arts degrees in labor studies in a program cosponsored with Antioch University.

AFL-CIO affiliates using the center's facilities in July for their own staff training programs are: Operating Engineers, July 7-12; United Teacher Press Association, July 8-10; Committee on Political Education, July 14-19; Railway & Airline Clerks, July 14-19, and Carpenters, July 21-26.

The American Institute for Free Labor Development is tutoring 38 Spanish-speaking women unionists from 14 Latin American countries on trade union techniques until July 19.

More information on these and other labor studies is available from Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. 301/431-6400.

# EDITORIALS

## Solidarity 1776

THAT WAS quite a list of grievances that the Continental Congress drew up in the summer of 1776 in Philadelphia.

Thomas Jefferson was chairman of the drafting committee and ended up doing most of the work himself, which even then was not exactly unique for committee chairmen.

When he submitted the draft to the representatives of the 13 colonies, there was a lot of nit-picking and some changes that Jefferson called "deplorable."

He was going a bit too far, some delegates complained, in so strongly condemning Britain for fostering the slave trade.

But there was basic agreement that the colonists could no longer put up with absentee rule by an authoritarian king, and negotiations had gotten nowhere.

The colonists had tried for a peaceful settlement, but sometimes there's not that alternative when an arrogant management just keeps saying "no."

After the long list of grievances, the resolution that was to become the Declaration of Independence recited the effort to resolve them at the bargaining table:

"In every stage of these oppressions, we have petitioned for redress in the most humble terms." But "our repeated petitions have been answered only by repeated injury."

AS FOR THE British government, an ocean away, it too had proved "deaf to the voice of justice."

The delegates didn't tamper much with Jefferson's eloquence when it came to proclaiming the inalienable rights of all people (that's how Jefferson wrote it; a misspelling in copying gave us the word "unalienable.")

No one was indifferent to the risks ahead, but the vote was unanimous, and the signers promised they would stick together.

"We mutually pledge to each other our lives, our fortunes, and our sacred honor."

It was not mere rhetoric when they pledged their lives on that first Independence Day.

That's solidarity.

*—This editorial first appeared in the July 2, 1983, issue of the AFL-CIO News.*

## Who Gets What?

THE MOST palatable feature of President Reagan's tax reform proposal is that it would take at least a modest step toward restoring the corporate income tax as a significant source of revenue.

The proposed bite on business income would actually be very small and many firms would end up paying less taxes. But even so, some of the companies that have been able to avoid virtually all taxation are using their not inconsiderable influence to try to keep it that way.

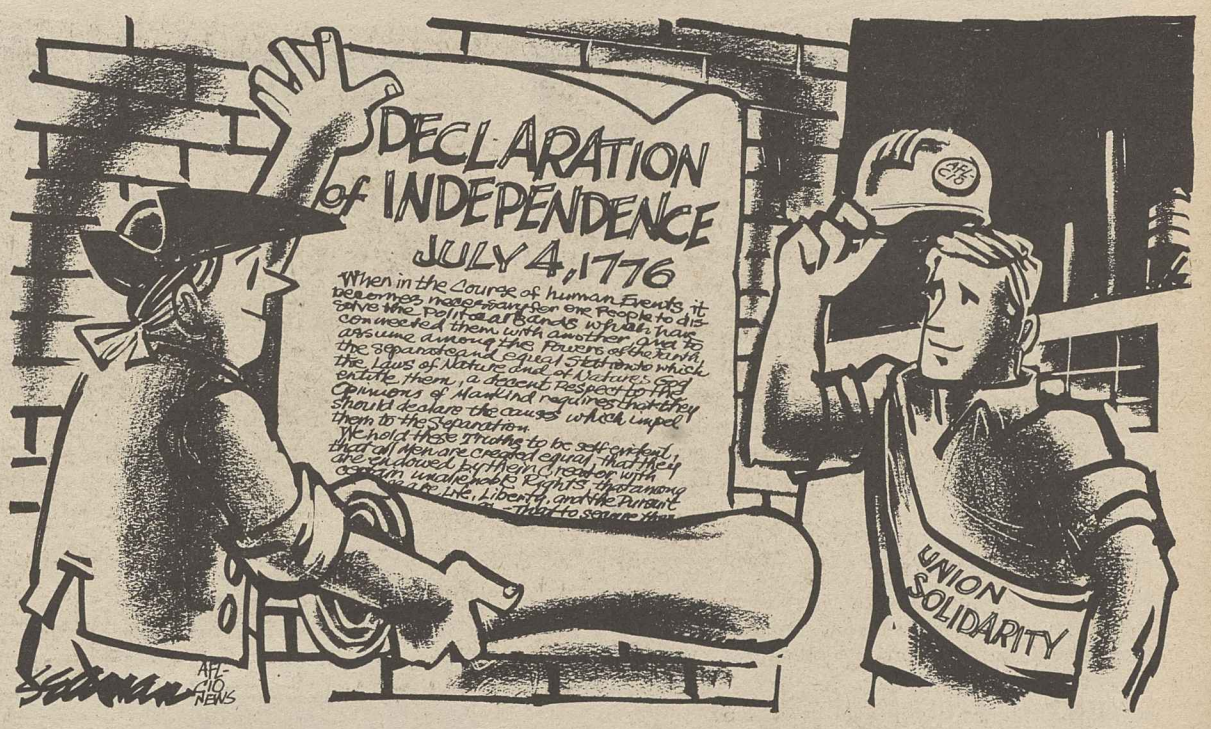
Senators are coming under heavy pressure to tax consumers, not corporations. "Consumption tax," it seems, is the newest buzzword in the corridors of the Capitol.

According to the Wall Street Journal, "this pressure comes in large part from corporate lobbyists who hope to find a new source of revenue to fund the retention of business breaks that are threatened by the effort to overhaul the income tax system."

These lobbyists are pushing for a national sales tax, or some variation that achieves the same purpose.

THE INTENT clearly is not to raise additional revenue for the nation's needs or to reduce the federal deficit. The "reform plan" advanced by the Administration is designed to offset higher taxes for some with tax cuts for others.

The big question, of course, is who gets the cuts and who gets the higher taxes. If the politically powerful corporation lobby gets its way, business will retain its almost tax-exempt status. And the people who use their paychecks to provide for their family needs will end up carrying an even bigger burden.




**Washington Window**

# Benefits COLA insulates the elderly from poverty

**By Press Associates, Inc.**

The nation's senior citizens are better off financially than they were less than a generation ago.

Thanks to social security, Medicare and other programs, poverty among the elderly was reduced from 35 percent in 1959 to 14 percent in 1983.

The economic progress of older Americans, unfortunately, is being used by some politicians and pundits as a reason to ask them to "sacrifice" their social security cost-of-living adjustment to help reduce the federal deficit.

As Congress decides the fate of next year's COLA, it has become politically opportune to portray the elderly as a prosperous special interest group, selfishly clinging to an unnecessary luxury at the expense of the public interest.

A report by the President's Council of Economic Advisers for the first time contained a section on the "economic status of the elderly," portraying seniors as no longer disadvantaged relative to the population as a whole. The report's main limits were that it looked at the elderly as a homogeneous group, without special financial problems and widely different income levels.

### Faulty perception

The CEA report prompted the National Council of Senior Citizens to commission a study of its own. Titled "The Economic Status of the Elderly," the NCSC report warns: "The perception that the elderly are as well off as other groups could threaten the funding of programs vital to the elderly, with the result that many would fall into poverty.

The NCSC report also points out:

• The elderly are not a homogeneous group. Poverty remains at crisis levels for certain categories of older people—widows, minorities, those who are sick, and those in their 80s. For example, the median annual income of older women is $5,600.

• The CEA report claims that "the goods typically purchased by the elderly and the non-elderly have experienced similar price increases" and that consequently the elderly are not more susceptible to inflation than other groups. But this fails to take into account the burden of high health care inflation on the elderly, whose medical needs far exceed those of other age groups. Despite Medicare, the elderly's out-of-pocket medical costs will grow twice as fast as their income in the next four years.

• Contrary to the CEA's upbeat discussion of pension coverage, only about 10 percent of the elderly's retirement income comes from private pensions. Most elderly, especially women, don't receive pension income. Also, pensions rarely are indexed to inflation. In 1982, the average annual income from a private pension for an elderly male was $2,980; for an elderly female, it was $1,520.

• Improvements in the income status of the elderly are mainly attributable to the social security system. On average, it provides about 4 percent of retirement income, although 21 percent of the elderly rely on it for nearly all their income.

• About 63 percent of social security beneficiaries are women. Women typically receive lower benefits, either as surviving spouses or in their own right. In 1983, the average monthly benefit to a retired male worker was $497; to a retired female worker, $316. About 20 percent of unmarried older women rely on social security as their sole income.

• Older workers bore the brunt of the recent recession. Only 21 percent of displaced older workers found new jobs after being laid off during that period compared to 70 percent of young workers and 41 percent of middle-aged workers. Early, and often involuntary, retirement remains the rule for workers in their 50s and 60s. This means lost health coverage and reductions in pensions and social security.

The NCSC report said congressionally enacted social security benefit increases in the early 1970s and automatic cost-of-living adjustments after 1975 resulted in a sharp reduction in poverty among seniors. Freezing next year's COLA, it said, would push a half-million older Americans below the poverty line.

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# MEMO FROM COPE

# Does Political Opportunism Pay Off With Votes?

The latest big or semi-big Democrat to decide his party has something more dreadful than ring around the collar and he'd best sever the relationship is Edward J. King, former governor of Massachusetts.

King bolted to the GOP and immediately began getting serious attention as a *Republican* candidate for governor of the Bay State. Should he go all the way, he'd earn a place in the Guinness Book of Records for serving one term as a Democrat and a second as a Republican.

Of course, he doesn't have the nomination yet, so it remains to be seen if party-jumping opportunism is its own reward or if it pulls votes.

King isn't alone as a convert anticipating the prize of high office. Three other recent Democrats-turned-Republican are expected to go after their new party's gubernatorial nomination: former Rep. Kent Hance (Texas); William Lucas, county executive of Wayne County (Detroit), Mich.; Bob Martinez, mayor of Tampa, Fla. (In fact, some observers believe they've been all-but assured major support for the nomination as a condition of transfer.)

These switchers are giving Republicans a field day of favorable publicity, almost suggesting that the time will soon come when the nation will be 100 percent GOP and elections won't even be necessary.

However, there are smart onlookers who make the case that all this is not an unmixed blessing for the GOP. One who sees it this way is Norman Ornstein of the American Enterprise Institute.

Writing in the *New York Times,* Ornstein says the eagerness of many Republicans to thrust their gubernatorial nominations in major states on such newcomers "suggests a serious weakness in party self-image, organization and candidate recruitment."

"A proud party," he says, "would insist on giving its major rewards to the deserving," that is to those who've served it well and long.

"The GOP's admission that it has few homegrown candidates who can measure up to Democrats further suggests a failure to develop a talent base (able) to make strong challenges for the governorship" or a "farm system of potential candidates to recruit into politics and office."

Ornstein also forecast that it could become "increasingly difficult to induce party workers and potential candidates for lower office to trust their party if they see it does not trust its own people" and turns to almost-strangers.

Then, too, the explanation the switchers all are giving is going to grow thin. King, in describing his shift, sounded much like those who went before. He said: "The truth is that the Democratic Party has ceased to be the party of the sensible center and has become dominated by professional liberals. Today, the Republican Party, rather than the Democratic Party will be the party of the sensible center."

Of course, that's pure hogwash. But if it were true, it would have been every bit as true 5-10-15 years ago. And if that's so, why was King so happy to run, win and serve as a Democratic governor? For that matter, why did the other party-bolters remain Democrats so long?

And just where is the "sensible center," anyway?

Is it at the $200 billion federal deficit level that Reagan and his policies—and his party—provide?

Is it at the seven percent-plus permanent unemployment level that seems to be the legacy of the Reagan-GOP recession?

Is the "sensible center" expressed by the GOP platform adopted last year, which has been accurately described as the most conservative by a major party in decades and which was proposed and written by some of the most right-wing of GOP officials and members?

Is the "sensible center" King etc. are rushing to occupy really represented by the likes of some of their new comrades-in-arms—Jesse Helms and Newt Gingrich for example?

Honest conversions, political or other, are usually respected. Self-serving ones are questioned and mistrusted. It will be interesting to see how the public perceives these when the converts actually wind up on the ballot for high office.

## Long After Indiana...

*All the attention to the six-month effort to settle that contested Indiana U.S. House race obscured challenges still going on in Idaho and on Guam.*

*In the former, defeated Rep. George Hansen (R) went before a House task force recently asking a "full and fair recount." Hansen's opponent, Democrat Richard Stallings, was certified the winner by 133 votes out of 202,399 votes cast. (Hansen had barely won GOP renomination after his conviction for falsifying financial disclosure statements.)*

*Hansen's attorneys now argue there were irregularities in vote counting and claim some who voted may not have been district residents.*

*Meanwhile, the defeated non-voting House member from Guam, Democrat Antonio Won Pat, is still vainly seeking a recount on the basis of what he claims were "substantial irregularities" in November voting—among which was a power outage that struck only one building on the entire island, Guam's election commission headquarters.*

# Maybe Party-Jumpers' Timing Is Awful

There's the possibility, of course, that the timing of recent party-jumpers might be just plain awful. The argument is heard more and more often that today's brand of conservatism and the GOP that reflects it have peaked—partly because the "new right" is losing some of its steam—it's been around a while, after all—and partly because the movement's and the party's most popular figure, President Reagan, is nearing the end of his political career.

There are abundant signs that the conservative-GOP wave has crested:

Some of its early movers and shakers are branching out. Richard Viguerie, for one, sought elective office. Terry Dolan, who made the National Conservative PAC the most effective and well-funded of rightist political operations, handed over its leadership and now puts out a political newsletter. Others have been absorbed by the Administration.

Another sign: One of the prophets who foretold the growth of conservative strength now predicts its decline. Kevin Phillips, who wrote of "The Emerging Republican Majority" long before it emerged (there's still legitimate question that it *ever* got here), sees a turn away from the Reagan-conservative notion that government is a bogeyman.

He judges that government might be forced to take action to help "America's jeopardized agriculture, eroded manufacturing competitiveness, rundown transportation infrastructure, shaky financial institutions, and troubled educational system. . . ."

Government initiatives are not the conservatives' cup of tea. But most Americans would support government activism to save or improve things they believe are important.

And writing in the *Washington Post,* columnist David Broder contends that "to the extent Reagan has identified conservatism with outright opposition to any governmental initiatives unrelated to national security, he has almost certainly limited its long-term tenure in power."

But if nothing else, Reagan is going out of politics swinging, just as he has for more than 20 years, at the federal government—even though he's been its chief since 1981.

There is another key sign to concern ultra-conservative leaders. The money gusher that fueled the "new right" shows evidence of depletion.

In fact, Richard Viguerie, who started the "new right" by building and exploiting huge mailing lists, had to retrench his vast direct mail operation recently.

He claims his volume has dropped off 40 percent since the 1984 elections, that he might have to sell his Falls Church, Va., headquarters building, and that he has had to lay off major and long-term staff.

Though there is still money to be made in direct mail operations by Viguerie and other ultra-conservative mail houses, they're all feeling a pinch. One says "it's the pits" for conservative fund-raisers now. One ascribes it to "a lethargic feeling out there (among rightist supporters). There are no enemies." This confesses how much the right wing relied for successful fund-raising on being *out of power* and having someone else to pin problems on.

The former director of the GOP Senate Campaign Committee blames "a sense of victory and completion among conservatives" for a mailing of 20 million fund-raising letters soon after the election that *lost* $3-$4 million.

Even the National Conservative PAC, the biggest political fund-raiser in the country, lost $3.3 million on a mailing last summer. (Though NCPAC collected almost $20 million in the 1983-84 election cycle, most of what it collected was spent to raise the funds.)

Another bit of evidence that the new right ultra-conservative movement has lost its youthful vigor is that it has reached or is near the limit on different fronts it can form to fight different battles.

Viguerie, for one, had to mothball a group called the Populist Conservative Tax Coalition that he formed and funded only last year. It didn't take off.

Finally, many of the ardent supporters of new right ultra-conservatism probably have grown very weary and have lost some stomach for the fight. They've been harangued by their leaders about 10 years now, milked mercilessly for contributions, and promised the universe—but after all the storm and fury, largely they are still fighting the same struggles as when they started out.

This is beginning to soak into their consciousness, and they can't help noticing that despite the fact their beau ideal is in the White House and Jesse Helms and many like him in the Senate and House and the state legislatures—despite all this, the nation and the world simply haven't been reshaped to their liking.

So—countless fund-raising letters and countless contributions and calls to action later, they're still mad, and a lot of them are saying forget it.

## Now, Wait a Minute...

**President Reagan's proposed tax program would eliminate the $1 taxpayer checkoff that finances presidential campaigns. All candidates in the last three presidential campaigns have relied on the public funds, and not one of the campaigns has been seriously skewed by money. The only unbalance is caused by "independent expenditures" in behalf of candidates by non-connected PACs.**

**This post-Watergate effort to end reliance on private contributions provided each of the major party candidates nearly $40 million in 1984 campaign funds.**

**Reagan's proposal also knocks out the tax credit of up to $50 for individuals, $100 for married couples, for contributions to political candidates and committees.**

## Back to Drawing Board

**It's back to the drawing board for Richard Viguerie and his political ambitions. The chief figure in the birth and growth of the "new right" came in a distant third in his first serious try for public office. He sought the GOP nomination for lieutenant-governor of Virginia.**

**Ironically, the techniques that Viguerie used to help elect scores of ultra-conservative candidates in the past several election cycle either were inappropriate, or failed to do the job, in his own campaign.**

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PAGE 3

# GE accord posts major gains

## *Agency shop, job security mark 13-union settlement*

New York—A 13-union coalition representing some 80,000 workers achieved major contract gains in negotiations with the General Electric Co., including a long-sought goal of union security protections.

An agency shop provision was one of several breakthroughs in a tentative, three-year agreement between the unions' Coordinated Bargaining Committee and the huge firm concluded here on June 30.

Under an agency shop, workers who refuse to join the union that represents them at the bargaining table are required to pay a fee for those services in lieu of union dues.

The unions have been trying for years to negotiate an agency shop at GE, President William H. Bywater of the Electronics Workers and IUE-GE Conference Board Chairman Joseph Egan observed.

"The agency shop will mean an additional 3,000 to 4,000 workers who will be paying for our services. It is the equivalent of organizing a new IUE shop of that many workers," Bywater and Egan said.

Another major breakthrough in the negotiations was improved job security, particularly provisions giving preferential hiring rights at other plants to those workers hurt by a plant closing.

"This is an outstanding agreement," Bywater and Egan declared. "It achieves the major goals of our union, and includes important breakthroughs.

"In addition, we successfully combatted concessionary bargaining in the midst of an extremely adverse climate."

### Approval urged

Both the CBC steering committee, which Bywater chairs, and the IUE-GE Conference Board have recommended approval of the new agreement. Rank-and-file members will vote on its ratification at membership meetings between now and July 9.

If the agreement is not ratified by then, workers would be free to strike the company at 12:01 a.m., July 11. Under the existing contract, both parties have the right to notify the other if they intend to terminate the contract in 10 days. The IUE, which represents the largest number of unionized employees at GE, some 50,000, gave its notice to the company June 30.

Other highlights of the agreement include:

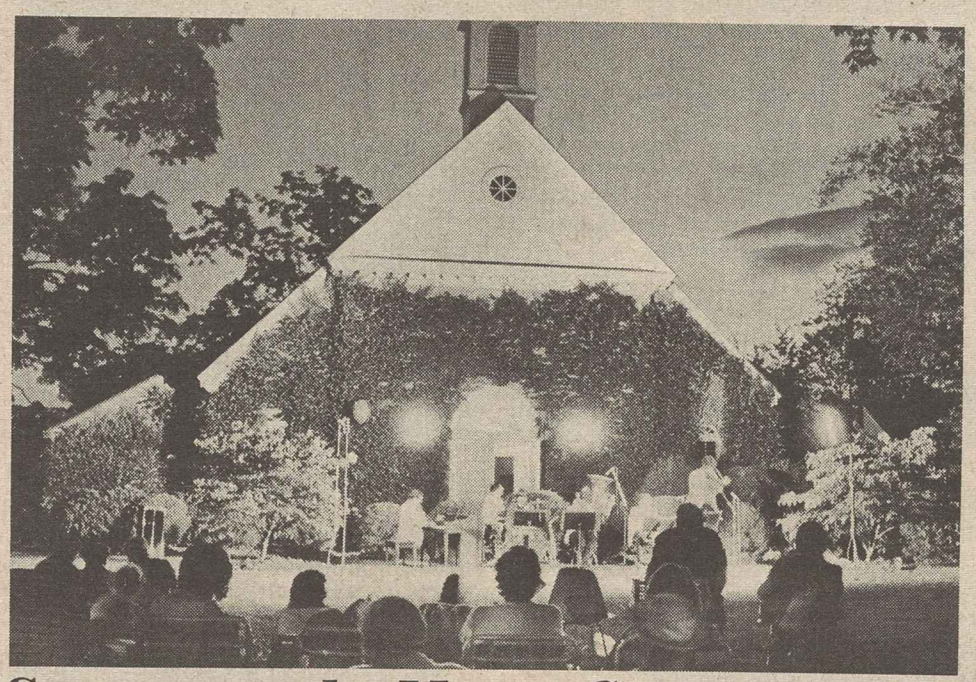
• A 3-percent bonus based on a worker's earnings in the first year of the agreement, followed by a 3-percent wage or salary increase in each of the second and third years. The bonus will not be added to base rates, but the second- and third-year raises will.

• An improved cost-of-living adjustment formula. Under the current contract, workers' hourly pay rises one cent for each increase of .175 in the government's consumer price index. The new formula will grant a one-cent increase, starting in the final year of the contract, for each rise of .15 in the CPI.

• Improved early retirement. The regular pension supplement of $7 a month times a worker's years of service will rise immediately to $8 a month without a cap on years of service. The old contract had a cap of 25 years.

In addition, a new $200 monthly supplement will be offered workers with 25 years of service or more who are now 60 or will reach the age of 60 during the life of the con-

**Continued on Page 8**



**Summer at the Meany Center**

The George Meany Center for Labor Studies begins its outdoor summer concert series as nearly 200 students, unionists and their families and neighbors gather on the lawn at the Silver Spring, Md., facility to hear the lively Peabody Ragtime Ensemble, a seven-piece union band from Baltimore, play songs by Eubie Blake and Duke Ellington.

# Supreme Court 'defers' to NLRB's union curb

**By David L. Perlman**

A closely divided Supreme Court accepted a ruling adopted by President Reagan's appointees to the National Labor Relations Board which weakens a union's position during a strike.

The court split 5-4, with the majority taking the position that federal labor law is unclear on the responsibilities of union members during a strike and therefore the Supreme Court should "defer" to the judgment of the NLRB.

A stinging dissent, written by Justice Harry A. Blackmun, attacked the court majority for having "supinely" deferred to a policy the NLRB itself adopted by divided vote and which cannot be supported either by the language or the declared goals of the National Labor Relations Act.

In a comparable vein, the AFL-CIO's comment on the Supreme Court action was that "the Reagan labor board is not worthy of such trust by the courts." It said the present NLRB has shown a "fervent desire to restrict union self-government and to weaken the ability of unions to improve wages and working conditions through effective strikes."

The case at hand involved one of the AFL-CIO's smallest affiliates, the Pattern Makers' League. As in some other unions, its members voted to adopt a constitutional provision that banned resignations during or just before a strike.

That provision was brought into play during a strike against an employers' association in the Rockford, Ill., and Beloit, Wis., areas. During the course of the strike, 10 members broke ranks and returned to work after submitting resignations which the union refused to accept. After the strike was settled, the union fined the scabs an amount equal to their earnings as strikebreakers. The NLRB, with two holdover board members dissenting, ruled that the workers could not be barred from resigning during a strike and therefore could not be fined by the union.

The ruling is one of a series in which the NLRB has moved further and further to an anti-union position through the votes of Reagan appointees. Last June, when only one pre-Reagan member was left on the board, it adopted an even stronger curb on

**Continued on Page 8**

# Auto Workers ratify 1st pact at GM-Toyota plant

Fremont, Calif.—Unionized workers at New United Motor Manufacturing, Inc., (NUMMI), a joint venture of General Motors Corp. and the Toyota Corp., overwhelmingly ratified their first contract.

The three-year pact, which took effect July 1, was approved by 92 percent of those voting. NUMMI, which employs some 1,200 members of the Auto Workers, began production of Chevrolet Novas last December.

The agreement calls for pay rates that are in line with the rest of the auto industry. Workers will receive a 2.25-percent increase, effective July 1 and lump-sum payments equaling 2.5 percent of pay in the second year and 2.7 percent in the third year.

The first-year increase alone will raise the hourly rate for assemblers by 28 cents, to $13.28, and for skilled workers by 40 cents to $15.95.

Workers also will receive a $180 bonus for ratifying the agreement and will be paid for a half-hour lunch break.

Non-economic terms include a job security provision described by the union as "a virtual guarantee of no layoffs," as well as

**Continued on Page 8**

# U.S. trade deficit takes new leap

The nation's trading deficit with other countries widened by $12.7 billion in May, the second highest total on record, and threatened the economy with further job losses.

The Commerce Dept., in reporting the red ink, said imports rose in May to a near-record $30.1 billion while exports fell to their lowest level in 15 months.

Commerce Sec. Malcolm Baldrige said this year's deficit would easily surpass last year's record $123.3 billion deficit and could go as high as $150 billion.

Government and trade officials estimate that every $1 billion in trade represents about 30,000 jobs. On that basis, last year's deficit cost the country about 3.7-million jobs.

May exports declined by 2.1 percent over their April level to $17.4 billion. That was the smallest level since February 1984.

Baldrige told reporters that the nation's trade problems are tied to the continued overvaluation of the American dollar, which makes U.S. goods more expensive abroad and encourages imports by making them less expensive.

Much of the decline in exports was attributable to a 17-percent dip in U.S. farm shipments, mostly in soybeans, tobacco, and corn.

### Rise in shipments

U.S. shipments of manufactured goods were up slightly to $21.2 billion in May, but not enough to offset the drop in farm exports.

The May trading deficit of $12.67 billion compared with a gap of $11.85 billion in April, and occurred even with a slight decline of 1.1 percent in petroleum imports.

Increased imports from western Europe accounted for a major part of the difference. The deficit with Europe widened to $2.77 billion in May from $1.66 billion in April. The U.S. trade gap with Japan was $4.24 billion, even though Japanese car imports fell 9.3 percent in May. In April, the deficit with Japan was $4.03 billion.

The nation's deficit with Mexico totaled $492 million in May, down sharply from $703 million in April. The gap with Taiwan widened to $1.21 billion from $1.13 billion.

Import increases were largest in clothing chemicals, and aircraft.

The flood of imports into the United States already has virtually destroyed such industries as color television, shoes, cameras, and farm equipment.

Organized labor has called for a national trade policy that would afford U.S. manufacturers protection against the unfair trading practices of other countries.

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# Guild convention calls for curbs on concentration of media power

Pittsburgh—Pointing to the recent "burst of ownership consolidation" in the mass communications industry, The Newspaper Guild's 52nd annual convention called for congressional action to limit the portion of the market "any single media company can control."

In doing so, the convention said, Congress should "take a fresh look" at the proposal raised a half-dozen years ago by the Guild and others. It would put a ceiling on the number of newspapers or the total amount of circulation that could be under the control of any one firm. To avoid infringement on the First Amendment, newspapers established—rather than purchased—by the company owning them would be excluded from the limits.

The convention acted after TNG President Charles A. Perlik, Jr., warned in his opening address that while mergers and takeovers in the industry are serious in themselves, a new development makes action even more pressing.

"The growing threat of an industry dominated by bankers and big investors is troubling enough," Perlik said, "but an even more ominous threat, long implicit in media concentration, is now becoming explicit.

"That danger is the use of these unprecedented concentrations of media power for political propaganda purposes." He pointed to Sen. Jesse Helms's announced aim of seeing CBS turned into "the Conservative Broadcasting System," as Perlik put it, and Rev. Sun Myung Moon's efforts to use the financial resources of his Unification Church to turn the Washington Times into a national newspaper.

"Efforts to use the media in this way can be contained. . .as long as we are dealing with groups of limited size and influence," Perlik said, "but mix the Helms/Moon brand of political ambition with a newspaper chain grown to a third or more of the nation's circulation, mostly in one-newspaper markets, and you have an engine of enormous destructive potential to our democracy."

### Change in venue

The convention met at the Hilton Hotel after earlier having been scheduled for the William Penn, part of the Westin chain, which is owned by the same corporation as United Airlines. The convention was moved at the end of May when there appeared to be no end in sight in the Air Line Pilots strike against United.

Delegates heard thanks and praise for the shift of convention sites in appearances by Air Line Pilots Sec. Charles J. Pierce and AFL-CIO Sec.-Treas. Thomas R. Donahue.

The 231 delegates and alternates representing 62 locals also re-elected the union's two top officers—Perlik to his ninth term as president and Charles Dale to his fourth as secretary-treasurer—and elected or re-elected 10 of 13 vice presidents. Contests for the other three will be resolved through membership referendum in September as will a contest between incumbent International Chairperson Harry S. Culver of Oklahoma City and challenger Lou Mleczko of Detroit.

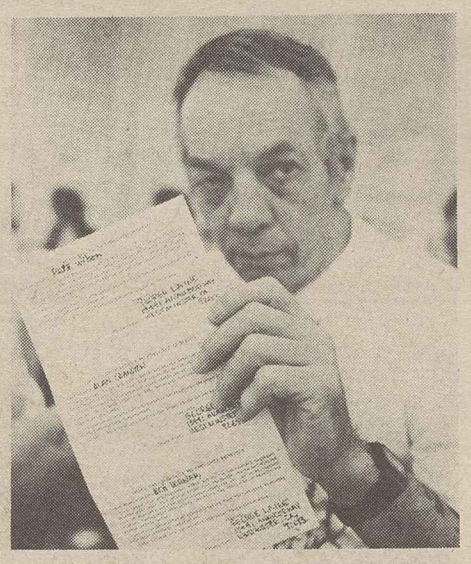
In one of a series of actions on a multi-faceted finance program recommended by the union's executive board, the convention also increased the upper limit of the Guild's Defense Fund by $1 million, to $6 million, and approved a period of higher dues to build the fund beginning Aug. 1.

Delegates also endorsed and sent to membership referendum, to be held after Jan. 31, related proposals that would increase the union's strike benefits and its minimum dues schedule.

In other actions, the convention also:

- Condemned various proposals of Congress that would tax employee benefits, terming them "unwise, unfair and totally unwarranted."
- Declared the Guild's support for the Civil Rights Restoration Act of 1985, which would restore the scope and coverage of four civil rights acts weakened by the Supreme Court's Grove City decision.
- Warned against efforts to increase exemptions from the federal Freedom of Information Act contained in a pair of bills before Congress, one sponsored by Sen. Orrin G. Hatch (R-Utah) and the other by Sen. Jeremiah Denton (R-Ala.).
- Urged the Reagan Administration to "abandon all ideas" of trying to secure any form of "official secrets act" either through legislation or interpretation of existing laws.
- "The United States does not need an Official Secrets Act, which would penalize the disclosure of information involving neither espionage nor intent to damage the nation's interest," the convention said, pointing out that the Pentagon Papers case showed such a statute actually would suppress information of vital concern to the body politic.
- Called for press organizations and governments around the globe to condemn "in a voice so loud it will be heard even in Tehran" the repression of basic human rights and press freedom by Iran's Khomeini regime.
- Endorsed an anti-apartheid bill before Congress which would ban new investment in South Africa, prohibit U.S. bank loans to that nation's government, stop the sale of its gold coins in the U.S. and end export of computers to South Africa.

The bill also should call for the abolition of preventive detention laws used by the South African government to harass, intimidate and imprison union leaders there, the convention said.



George Laine, president of the Los Angeles Guild and one of its delegates to the TNG convention, displays his copies of postcards filled out by the delegates calling on their senators and representatives for defeat of proposals to tax the value of employer-paid health care and other benefits for workers.

# American Motors contract set for ratification ballot

Milwaukee—The Auto Workers reached tentative agreement with American Motors Corp. on new three-year contracts covering some 5,800 workers at the firm's facilities here and in Kenosha, Wis.

The accord was hammered out June 28 and approved by the executive boards of UAW Locals 72 at Kenosha and 75 at Milwaukee. Membership ratification votes are scheduled July 6 and 7. A majority of workers at each plant must approve the contracts for them to go into effect.

AMC, the nation's No. 5 automobile maker, said that if the pacts are ratified it will drop plans to close the two plants. The ailing firm earlier had said it would close down car-making operations in Kenosha employing 5,500 hourly workers by next July and its small Milwaukee stamping plant employing 300 by September.

Under the new agreement, the typical assembly worker would earn 50 to 60 cents an hour less than under the old agreement. At about $13 an hour, the average wage would be slightly below pay levels at General Motors Corp., and Ford Motor Co.

The agreement also calls for elimination of several vacation days and some work rule changes that management had sought. In exchange for these concessions, AMC pledged to continue making its Alliance and Encore subcompacts at Kenosha, and to provide an $18-million job-security program that would prevent layoffs due to new technology, farming out of component production, or negotiated productivity improvements.

The union's existing contracts with the company expire Sept. 16. AMC had asked for early negotiations because of financial problems. The company lost $20 million in the first three months of this year.

# Supreme Court backs ILA on container-loading rules

Container-handling rules negotiated by the Longshoremen in contracts covering Atlantic and Gulf Coast ports are lawful work preservation measures, not illegal secondary boycotts, the Supreme Court ruled in a 6-3 decision.

Under contracts negotiated—and renegotiated—by the ILA, the union's members have the right to load and unload consolidated container cargoes moving to and from points within 50 miles of a port.

The Supreme Court first dealt with the issue in 1980, after the National Labor Relations Board had held that the container loading requirement amounted to an illegal secondary boycott. The court reversed the NLRB, noting that preservation of work for union members is a lawful objective, and sent the case back to the labor board for further consideration.

The ILA won only a partial victory in the NLRB reconsideration, but its contract was upheld by the U.S. 4th Circuit Court of Appeals.

Now, the Supreme Court has backed the appellate court and confirmed the ILA's right to negotiate a container agreement.

The 6-3 decision by Justice William J. Brennan, Jr., said the "relevant" fact is that the union's objective was to preserve work that had been done by its members and it had no unlawful motive.

Brennan noted that the rules being challenged were shaped through collective bargaining as "a negotiated compromise of a volatile problem bearing directly on the well-being of our national economy."

Justice William H. Rehnquist dissented, joined by Chief Justice Warren E. Burger and Justice Sandra Day O'Connor. Rehnquist argued that the ILA was illegally trying to usurp new work rather than merely trying to preserve existing work.

### Meeting site changed for Tulsa conference

The site of the AFL-CIO regional conference in Tulsa, Okla., has been changed from the Sheraton Kensington Hotel to the Westin Hotel Williams Center.

The meeting date of July 13-14 remains the same, and all times for conference sessions remain unchanged.

Conference participants who had pre-registered for the meeting and who had sent in hotel registration cards to the Sheraton by July 1 will have their room reservations honored by the Westin Williams Center. Participants who had not made room reservations or who have not registered for the conference can make reservations through the AFL-CIO Facilities Management Dept. and should call that department directly.

# *'One-on-One' campaign set for three-state tryout*

If the three-state pilot program in "One-on-One" training goes as well as the AFL-CIO thinks it will, "We have in our hands one of the vehicles for the resurgence of the American trade union movement," Sec.-Treas. Thomas R. Donahue told the newly formed national advisory committee for the program.

Donahue spoke June 28 to 25 representatives of unions with major membership in the One-on-One pilot states of Georgia, Missouri and Idaho. The advisory committee met at AFL-CIO headquarters, along with the AFL-CIO regional directors and state federation officers from the three states.

The meeting filled out details of a program announced by AFL-CIO President Lane Kirkland at the May meeting of the federation's Executive Council as undertaking the "systematic training of several thousand local officers, stewards and activists to reach out to the membership in face-to-face conversations."

In a subsequent letter to all union presidents, Kirkland said the One-on-One program "goes to the heart of recommendations by the AFL-CIO Committee on the Evolution of Work on membership participation."

Donahue said that, in addition to the national committee, an advisory committee is being formed in each of the three states from trade unionists nominated by their unions.

The program provides:

- Coordinators already hired by the three state AFL-CIOs and trained in a week-long session in Washington, D.C., in May. There will be three each for Georgia and Idaho and five coordinators for Missouri.
- Organizers to be chosen in consultation with the advisory committees and trained by the coordinators during the summer of 1985 in one-day meetings, usually on Saturdays.
- Canvassers recruited by the organizers in numbers sufficient to provide one canvasser for each 20 union members. Each organizer will be responsible for 10 canvassers, whose training requires about two hours. A local with 4,000 members thus would have 20 organizers and about 200 canvassers, but a unit of 100 might have only one organizer and five canvassers, since no one formula could be expected to fit all the different union membership patterns.

Kenneth Young, executive assistant to Kirkland, said the program will be adjusted to fit participating unions whose structure and membership location in the state might vary widely.

Dick Wilson, coordinator of the One-on-One program, told the advisory committee meeting that the program will begin with a survey of membership opinions and that subsequent surveys or training sessions would require two-hour meetings similar to the original canvasser training. Wilson said the program could anticipate three or four such sessions a year, depending on the urgency of state or national concerns that arise.

He said the AFL-CIO pilot project will draw on the experience of the Machinists nationwide and the Electrical Workers in Florida. He said the success of the IBEW in signing up non-members in Florida, a "right-to-work" state, was a major result of the union's One-on-One program.

Young said that four departments of the AFL-CIO—organizing, COPE, legislative and education—will have major roles in the program. Videotapes are in preparation to help with the training, and Larry Kirkman, executive director of the Labor Institute of Public Affairs, said issues discussion can also be aided by videotapes. He said sales figures on home video recorders indicate one-fourth of union households have them now and one-half will have them by 1990.

### Ongoing assistance

Wilson and Edgar Czarnecki of the AFL-CIO Dept. of Education said they will continue to assist the first training of organizers until that process can be turned over to the coordinators.

Training of organizers should be under way in Georgia and Missouri by late July. Jim Kerns, president of the Idaho AFL-CIO, said his state is ahead of that schedule because names and addresses were available for the 3,000 Idaho trade union activists who successfully circulated petitions to delay the effective date of the state legislature's "right-to-work" measure until the November 1986 ballot.

The AFL-CIO American

# Federationist

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# The Promise of the Wagner Act

**By Henry C. Fleisher**

THE FOURTH OF JULY weekend in 1935 was a scorcher, and in the torrid summer atmosphere of Washington in the era before air conditioning, even President Franklin D. Roosevelt couldn't round up an appropriate collection of dignitaries for a bill-signing ceremony.

So, on July 5, the president signed the Wagner Labor Relations Act into law in the privacy of his White House living quarters. He used two pens, the New York Times reported, and directed that one be given to Sen. Robert S. Wagner of New York, the father of the new labor-management relations law, and the other to President William Green of the AFL, the spearhead of the effort to get that bill enacted by Congress.

The bill as it became law was formally called the National Labor Relations Act. During its passage through the congressional process it had been known as the Wagner-Connery Labor Disputes bill, honoring both the veteran New York senator who sponsored a series of New Deal legislative measures, and Rep. William (Billy) Connery of Massachusetts, the chairman of the House Labor Committee.

The measure which they steered through Congress in less than six months in 1935 was drafted on the basis of two years of experience with a series of experiments in labor-management relations which formed an important part of Franklin Roosevelt's efforts to pull the nation out of the disastrous malaise of the Great Depression.

## A Big Step Forward

What the Wagner Act provided—and what the American public today takes pretty much for granted—was regarded in 1935 by many employers, corporate lawyers and editorial observers as downright radical and dangerously revolutionary.

Nevertheless, the "time has come," the Senate Labor Committee had said in reporting out the Wagner bill in May 1935, for the government to make a "clean decision": either to withdraw the governmental support of collective bargaining contained in Section 7-A of the 1933 National Industrial Recovery Act, or else to "implement it by effective legislation."

That implementation, translated into the words of the Wagner Act, guaranteed the right of employees to "form, join or assist labor organizations"; it barred employers from various practices designed to coerce, intimidate or discourage employees from exercising their union rights; it outlawed company unions organized, financed or directed by employers; it made an unfair labor practice of an employer's refusal to bargain collectively with a union chosen by a majority of employees in the bargaining unit; and it gave official status to the National Labor Relations Board as the agency to administer and enforce the law. Furthermore, it gave the NLRB access to the U.S. courts to back up its decisions against law violators.

This is "Labor's Magna Charta," said an elated William Green of the AFL when the bill was signed by the President.

"Clearly unconstitutional" was the general reaction of the business community and its corporate lawyers.

"A better relationship between labor and management is the high purpose of this act," President Roosevelt said in his formal statement issued after he signed the bill into law on July 5. He added:

"By assuring the employees the right of collective bargaining, it fosters the development of the employment contract on a sound and equitable basis. By preventing practices which tend to destroy the independence of labor, it seeks, for every worker within its scope, that freedom of choice and action which is justly his."

## A Half-Way Mark

The Wagner Act of 1935 was no test-tube baby. It was not produced in a laboratory isolated from the real world of the Depression and the surging conflicts of the Roosevelt New Deal. In fact, its passage by Congress was about the half-way mark in a process of giving status and clear-cut legality to the activities of American unions.

Twenty-eight months earlier, the New Deal had come into being on Mar. 4, 1933—Inauguration Day—when Franklin Roosevelt took the oath of office as chief executive of an economically paralyzed nation.

From July 1935, when the law went on the books, it took close to another two years before the Supreme Court—to the surprise and dismay of the opponents of labor and the Wagner Act—held that "Labor's Magna Charta" was indeed completely constitutional.

Prior to 1933 the amount of federal government concern with unions and the collective bargaining process was less than overwhelming. The Sherman Anti-Trust Act of 1893 and the later Clayton Act both held that labor—the work of human beings—was not a "commodity," and that unions in the pursuit of bona fide collective bargaining could not be considered either a conspiracy or a monopolistic restraint of trade.

In 1916, and again in 1926, Congress provided legislative status for the railway brotherhoods by establishing ground rules for union representation and collective bargaining on the railroad network that was then America's pre-eminent transportation system. The Norris-LaGuardia Anti-Injunction Act of 1932 barred federal judges from issuing injunctions against labor unions in labor disputes and thus curbed what had been perceived as a pro-employer bias in the federal judiciary. But there weren't many other federal labor laws.




*The author, Henry C. Fleisher, was director of publicity for the CIO and director of publications for the merged AFL-CIO until 1958. He has since worked as a public relations representative and counsel to unions and non-profit organizations.*

The big step forward came in 1933 with the passage of the National Industrial Recovery Act, designed to pull the nation's economy out of the slough of depression. Its goal was to end the cut-throat competition and sweatshop wage levels that had led to unemployment for millions of Americans and the impoverishment of most of those who had somehow managed still to have jobs.

How bad were those working conditions? Terrible. In 1935 the average wage in manufacturing was under $27 a week, which even at the price levels of the 1930s didn't produce much buying power. And in 1938—five years after FDR took office—the new minimum wage law provided for only a 25-cents-an-hour minimum rate, or $10 for a 40-hour week. In the Depression, hourly wages for many workers were measured in pennies.

The core of the 1933 National Industrial Recovery Act was a plan to revive the economy, to restore fair competition, and to eliminate the worst of the practices that had developed in the struggle for employer survival during the Depression. The law authorized employers in each industry to come together to create a code of fair practices under the umbrella of the government's National Recovery Administration. Envisioning labor unions as a partner in this process, Congress in Section 7-A of the National Recovery Act proclaimed labor's right to organize and bargain collectively through representatives of the workers' own choosing.

This was welcome and heady language for a union movement that had barely survived Depression unemployment and the anti-union crusade of big corporations that had started with the so-called American plan right after World War I. AFL President Green hailed Section 7-A as a "charter of industrial freedom" which was offered to the nation's workers "for the first time in their lives."

Unions that still had resources were able to take advantage of the new mood of the times. They made sensational headway in organizing and re-organizing workers in their industries. The United Mine Workers, led by John L. Lewis, used most of the remaining dollars in the union treasury to mount a whirlwind organizing drive in the mines. The same resurgence happened in the Ladies' Garment Workers, headed by David Dubinsky, and the men's Clothing Workers, under the leadership of Sidney Hillman. Similar if less spectacular growth patterns were created in other unions. Without question the NRA and its Section 7-A literally rescued the American trade union movement from the Depression's debilitation.

But the offsetting weakness in the language of Section 7-A soon became apparent. Its welcome words of encouragement for union organization and collective bargaining were balanced by a lack of enforcement power. In industries where the revived labor unions were strong, that weakness of 7-A was less pronounced than in industries where unions were new and struggling to survive, or lacked essential strength compared to their employers.

For instance, the code for the largely unorganized auto industry provided that auto companies could hire, keep and promote employees "on the basis of their individual merit"; management was in no mood to share this decision-making power with a union. That left labor-management relations, such as they were, heavily weighted in the employer's favor.

In the newspaper industry, a case involving one Dean Jennings of Hearst's San Francisco Call-Bulletin was, at FDR's order, removed from consideration by the National Labor Relations Board and turned over to the publisher-dominated Newspaper Code Authority. Heywood Broun, the newspaper columnist and founding president of the Newspaper Guild, commented angrily that Roosevelt had "surrendered. The publishers cracked down and FDR cracked up."

## The Demise of the NRA

But both the good and the bad associated with the NRA's Section 7-A came to an abrupt halt in May 1935 when the Supreme Court ruled in the famous case of *Schechter v. U.S.* that the entire NRA was unconstitutional, lock, stock and barrel.

Fortunately, Sen. Wagner had drawn up a bill in 1934 designed to close some of the loopholes that were creating disillusion with Section 7-A on the part of many union officers. At FDR's request, he had withdrawn the bill, but in February 1935 he reintroduced it in a new version. On May 16, 1935, less than a fortnight before the Supreme Court handed down its *Schechter* decision, the Senate voted by a whopping 63-12 margin to approve the new labor-management relations bill.

At this point, President Roosevelt had not yet committed himself to any position on the Wagner bill. About a week later, the President met at the White House with AFL President Green, John L. Lewis of the Mine Workers, Sidney Hillman of the Clothing Workers, Sec. of Labor Frances Perkins and Donald Richberg, the rather controversial administrator of the NRA. When the meeting ended, FDR publicly announced his support for early passage of the measure by the Congress; that provided powerful momentum for the bill.

In less than a month, on June 20, Rep. Connery's companion labor-management relations bill moved through the House by a vote of 127-87. The House bill provided that the NLRB would function in the Dept. of Labor, rather than as the independent agency provided by the Senate bill. It also contained a provision that no union contract could be signed that covered employees of more than one employer. Both these proposals were defeated quickly in the joint Senate-House conference committee, and the completed bill went to President Roosevelt late on June 27.

The heavy margins for final passage of the two versions of the bill should not be regarded as indicating that the new labor-management relations act was passed as some sort of gift to the AFL. Far from it. The opposition from corporate America was both strident and sustained, and it was spiced with dire predictions of doom for America if the bill passed.

The AFL and its unions, however, worked steadily and determinedly to overcome this opposition and to win passage of an effective labor-management relations law. On Apr. 29, 1935, for example, the federation sponsored an unprecedented one-day meeting in Washington of representatives of its international unions and state and local central bodies. After a day of vigorous oratory, the conference adopted a resolution strongly calling for passage of the Wagner-Connery Labor Disputes Act. In addition, it offered a priority list of other bills: a 30-hour-week measure, which in greatly revised form in 1938 became the Fair Labor Standards Act; the Guffey Coal Stabilization Act, strongly supported by the Mine Workers, and a new National Recovery Act rewritten to get around the Supreme Court's objections to the earlier law. That did not pass.

Of the labor law, the AFL conference said that its experience in the previous two years showed it was "imperative" that the principles of union rights to organize and bargain collectively "must be definitely declared by Congress instead of being left to the constructions, interpretations and evasions which we have experienced under the administration of the NRA."

The bill signed into law by FDR on July 5, 1935, was designed to accomplish precisely that.

## Intense Employer Resistance

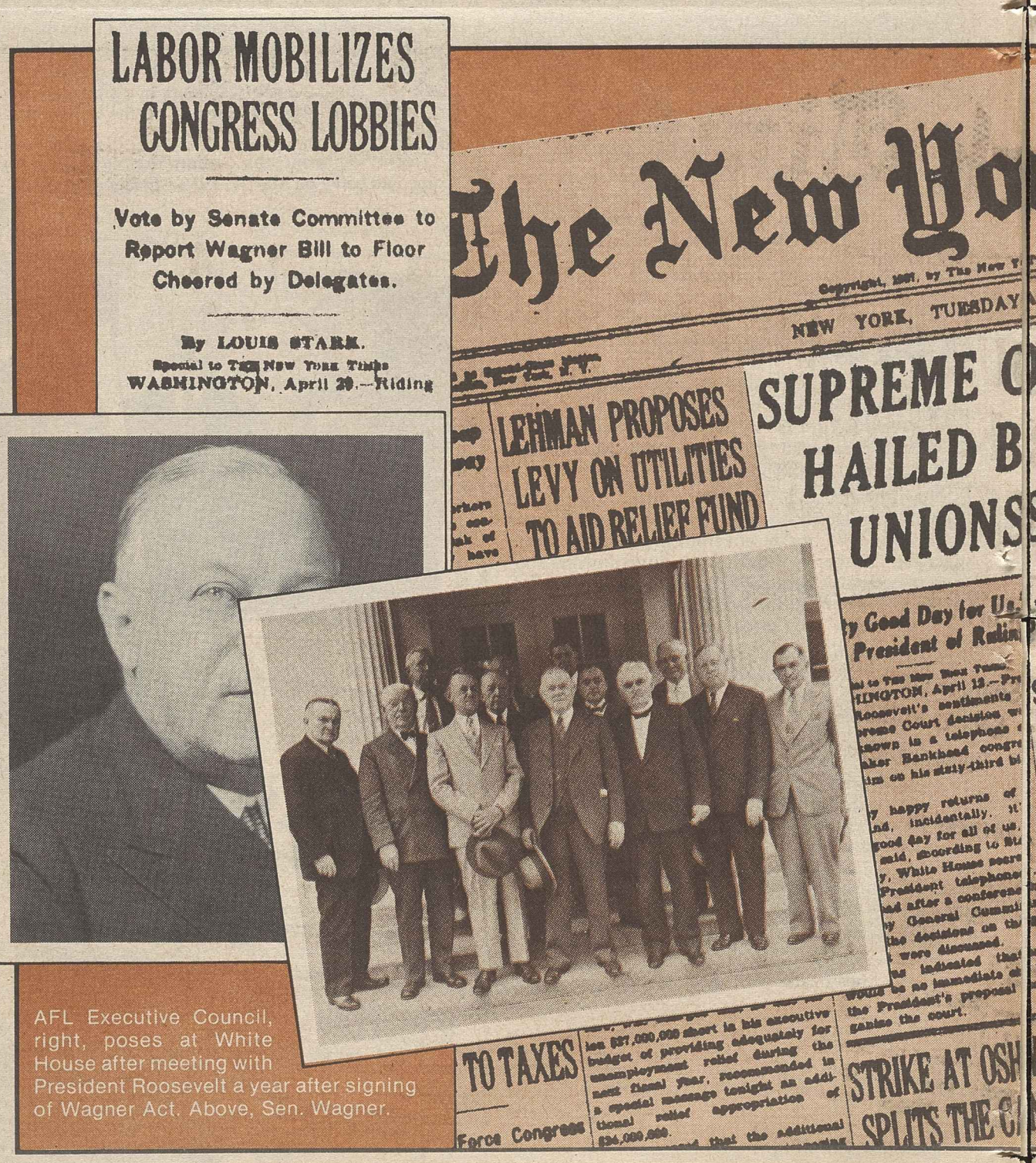
Resistance to the labor law, criticism of its provisions and mournful predictions about its impact on American democracy became the order of the day. The National Association of Manufacturers took a leading role in the opposition. (Before the bill was passed, the NAM in desperation had proposed a $20 billion private fund to provide jobs in industry if Congress would only reject the Wagner bill; nobody took the "offer" very seriously.)

Alfred P. Sloan, the head of General Motors, offered his solemn view that the law was unconstitutional. A group of 53 corporation lawyers "took upon themselves," in the bitter words of Sen. Wagner, "the responsibility of usurping the functions of the Supreme Court" by deciding that in their opinion the new labor law was unconstitutional. Tom Girdler, the bitterly outspoken head of Republic Steel, said he'd quit his job and go back to the farm to pick apples if the law was found to be constitutional. (It was, and he didn't.)

So, in light of the record of the Supreme Court in knocking down a variety of New Deal legislative actions, it came as a shocking surprise to many Americans, legal experts and laymen alike, when on Apr. 12, 1937, the Supreme Court, in a series of decisions involving five separate cases, upheld the Wagner Act by 5-4 margins. Perhaps the most significant of these was the case involving Jones & Laughlin Steel Co., in which Chief Justice Charles Evans Hughes wrote the majority decision approving the Wagner Act as falling under the constitutional provision that Congress has the power to regulate interstate commerce.

Sen. Wagner, in what the New York Times described as "one of the happiest days in his public career," appealed to both labor and management to march together "toward a clearer atmosphere of mutual understanding and good will."

America's working people did benefit tremendously from the legislation, and the Wagner Act was without question an important factor in the growth of labor unions in the years that followed. But the instances of employer good-faith observance of the law were matched by challenges and evasions. By and large, and with only a few notable exceptions, corporate America did what it felt it had to do at the direction of the NLRB and the courts: appeal NLRB and court decisions, then reluctantly obey the law and do not much more.


LABOR MOBILIZES CONGRESS LOBBIES

Vote by Senate Committee to Report Wagner Bill to Floor Cheered by Delegates.

By LOUIS STARK.
Special to THE NEW YORK TIMES.
WASHINGTON, April 29.—Riding

The New Yo

NEW YORK, TUESDAY

LEHMAN PROPOSES LEVY ON UTILITIES TO AID RELIEF FUND

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AFL Executive Council, right, poses at White House after meeting with President Roosevelt a year after signing of Wagner Act. Above, Sen. Wagner.

# LABOR LAW TURNED UPSIDE DOWN

**By David M. Silberman**

THIS YEAR marks the fiftieth anniversary of the enactment of the Wagner Act. Those of us who are engaged in the task of representing workers and their labor organizations cannot join in any celebration of this anniversary. For we know—and I say "we" because there is an extraordinary degree of consensus among union lawyers on this point—that, as the House Subcommittee on Labor-Management Relations recently concluded, "labor law has failed." We agree with the subcommittee that "the evidence is clear that the law does not encourage collective bargaining. Rather it has become an impediment. It is equally clear that workers who favor unionization are not protected from retaliation and discrimination, but instead are subject to intimidation and unequal treatment...." Indeed, as the subcommittee observed, "perhaps the most striking evidence of the law's failure is that... unions, which exist to engage in collective bargaining, are calling for repeal of the law that is intended to encourage that process."

Part of the reason that the Wagner Act has failed is because of structural deficiencies in the Act—deficiencies that allow adjudicative proceedings to be unduly delayed and that provide inadequate remedies for violations of the Act. But an equally important explanation is that the current members of the Labor Board have proved themselves unwilling or unable to administer the Act in a fair and impartial manner.

*David M. Silberman is associate general counsel of the AFL-CIO. This article is drawn from a speech he made to the Labor-Management Conference, Northern Kentucky University, May 22, 1985.*

That is the only conclusion that can be fairly drawn from the record of the Labor Board under its current chairman, Donald Dotson.

It is not surprising that a Labor Board chaired by Dotson has proved itself incapable of impartiality. Before obtaining his present position, Dotson expressed perceptions of labor relations which reveal how distorted are the lenses through which he sees the labor-management world. For example, in Dotson's world, "in both the public and private sectors, the strike has come to mean not merely a concerted withholding of labor but a concerted effort employing violence, intimidation and political intervention to prevent people who want to work from working." In other words, Dotson sees strike misconduct not simply as an occasional unfortunate occurrence but as what a strike "has come to mean."

Even more telling are the attitudes Dotson expressed about collective bargaining before being appointed to the NLRB. To Dotson collective bargaining "frequently means labor monopoly, the destruction of individual freedom and the destruction of the marketplace as the mechanism for determining the value of labor." Yet the very purpose of the National Labor Relations Act is, as the preamble states, to "encourage the practice and procedure of collective bargaining." Moreover, Congress sought to foster collective bargaining precisely because it concluded that the "marketplace"—that is, the balance between the number of workers and the number of jobs—should not determine whether workers would be paid a decent wage for their labor and because Congress recognized that a worker does not enjoy any "individual freedom" when attempting to negotiate individually with his employer. As Sen. Wagner explained, Congress viewed the right to bargain collectively as "a veritable charter of freedom of contract; without it there would be slavery by contract."

The short of the matter is that the principal responsibility for administering the Wagner Act has been entrusted to a man who is hostile both to the fundamental purposes of the Act and to labor organizations which seek to promote those aims. And under Dotson's leadership, the Labor Board has proceeded to systematically subvert the purposes of the law.

Most of the discussion of the Dotson board's record has focused on its decisions in the so-called lead cases—the cases in which the board has overruled past precedents and adopted new legal rules. As former board member Donald Zimmerman has observed: "never in the history of the Labor Board have so many major established principles been overruled as in 1984, when a new majority began its revisionist course." Indeed, in just six months the board issued 24 decisions in which precedents were overruled. In each instance, the rule that was overturned was one that facilitated collective activity; the rule that was adopted retarded such activity. For example, in its lead cases the Dotson board has made it easier for employers to chill organizing activity; easier for employers to avoid bargaining with the representative of their employees; more difficult for workers to support a strike in another bargaining unit; more difficult for unions to pool their strength through affiliations and mergers; and more difficult for unions to maintain unity during concerted activity. Prof. Charles Morris, the editor of the leading treatise on labor law, summarized the import of these decisions well when he stated: They "infringe upon the specific objectives which Congress wrote into the Act."

But while these lead cases are important, in my view the focus on the lead cases obscures the critical failing of the Dotson board. For the fact of the matter is that 50 years after the enactment of the Wagner Act, most of the important principles are so well-settled as to be beyond the reach of even this board. The major function of the Labor Board is to apply settled rules to the hundreds upon hundreds of run-of-the-mill cases that come before the board each year. The critical test of the board is whether it performs this task in an even-handed fashion. The Dotson board flunks the test dismally; its result orientation is so strong as to preclude impartial adjudication.

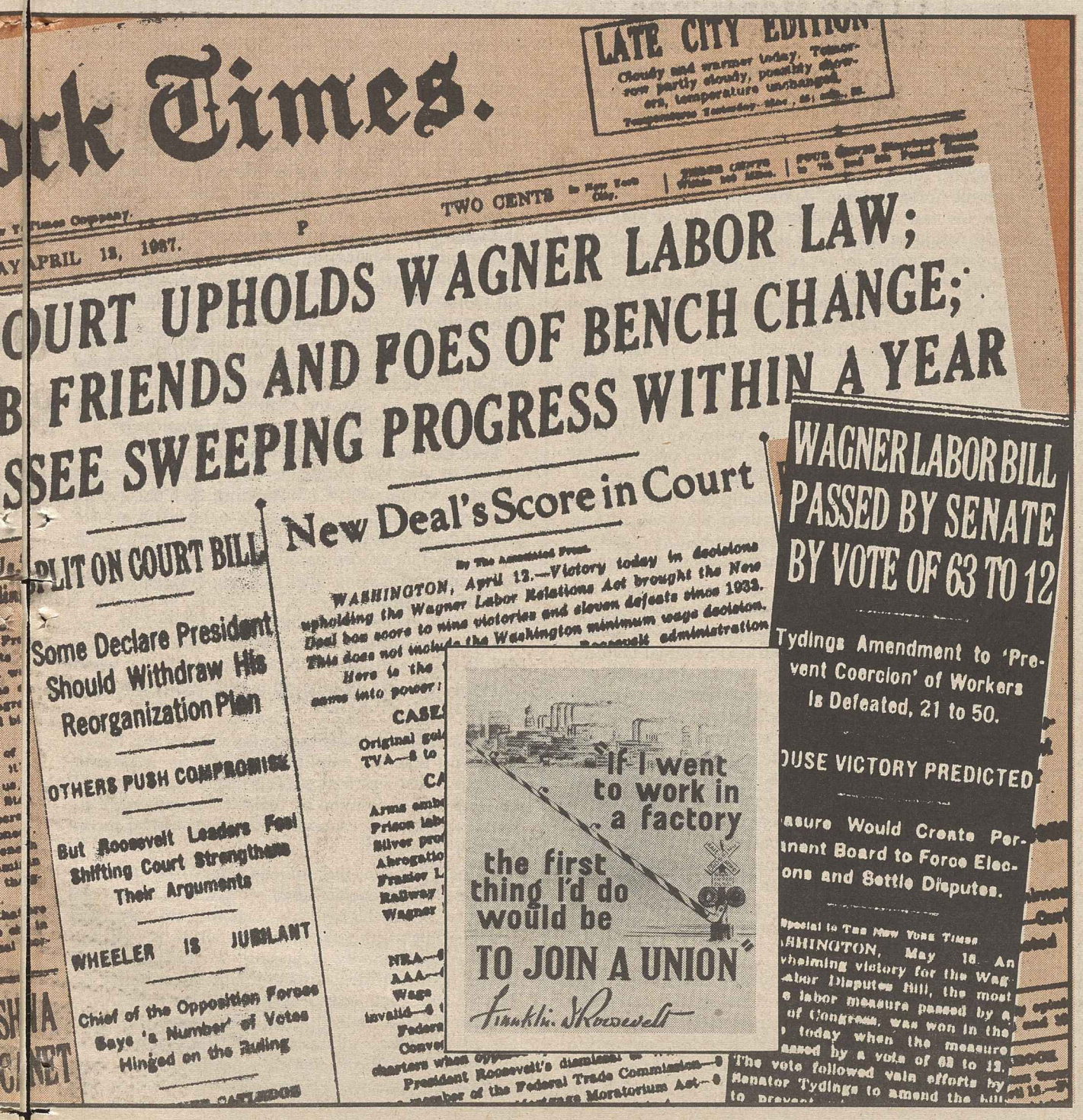
Perhaps the best evidence of this fact is statistical analyses we at the AFL-CIO have done comparing the performance of the Dotson board with the performance of past boards, Republican and Democratic alike. Those analyses demonstrate how radically pro-employer the current board is.

We first reviewed the more than 1,200 decisions issued by the Labor Board from September 1975-August 1976. That was the board that was in office at the end of eight years of Republican rule. All members of that board had been appointed by Presidents Nixon or Ford. And three members of that board—Chairman Betty Murphy and Members John Penello and Peter Walther—either came from or left to join management labor law firms.

What we found in reviewing the Murphy board's record is that in contested cases involving unfair labor practice claims against employers, the Murphy Board found the employer guilty of all or most of the violations alleged in the complaint in 84 percent of the cases. That is not especially surprising. After all, unfair labor practice complaints are issued only by the general counsel (and not by private litigants) and the general counsel does not act unless an investigation has found reasonable cause to believe a violation has occurred. Thus one would expect the general counsel—like any public prosecutor—to prevail in most cases he or she elects to bring. Indeed, when we examined the record of the Labor Board in 1979-1980—when, following four years of Democratic rule, most of the board's members had been appointed by President Carter—we found that the board, chaired by John Fanning, ruled for the general counsel in contested cases against employers with precisely the same frequency as had the Murphy board in 1975-1976.

The record of the Dotson board, on the other hand, is very different. From September 1983 to August 1984—a 12-month period in which persons appointed by President Reagan constituted a majority of the board—the general counsel substantially prevailed against an employer in only 51 percent of the contested cases. And from January to March 1985—the first three months after Member Zimmerman left the board, leaving it exclusively in the hands of Reagan appointees—the general counsel substantially prevailed against employers in only 43 percent of the contested cases. This means that in substance employers now win 57 percent of the contested cases, as compared to 16 percent in 1975-1976—a threefold increase in the percentage of cases decided favorably to employers.

Lest anyone think that these numbers somehow reflect a decline in the competency of the general counsel's office in prosecuting cases in the past year, it should be noted that in cases against unions, the general counsel's success rate has actually increased



## Tracking U.S. Labor Law

The labor legislation of the 1930s sought to protect workers against predatory employers and hostile judges.

Before the Wagner Act, the Norris-LaGuardia Act in 1932 outlawed yellow-dog contracts—the infamous practice of requiring job applicants to sign a pledge not to join a union—and severely limited court injunctions against strikes and peaceful union activities.

But the political swing to the right that followed the New Deal era also tilted the balance on labor legislation. The most significant change was enactment of the Taft-Hartley Act in 1947—over President Truman's veto—by the first Republican-controlled Congress since the early years of the Hoover Administration.

The new law was in the form of amendments to the National Labor Relations Act, but the emphasis was on giving new weapons to employers to resist unions. One of its provisions empowered states to outlaw union shop agreements through so-called right-to-work laws.

In 1959, Congress added new restrictions on unions through the Landrum-Griffin Act, which had begun its legislative life as a reform bill which sought to remove some of the inequities of the Taft-Hartley Act while assuring democratic procedures within unions. The final version eliminated some clearly unworkable provisions of Taft-Hartley but had the net effect of weakening unions at the bargaining table.

Twice since then bills to bring labor legislation closer to the goals of the original Wagner Act passed the House but were stopped by filibusters in the Senate. That's what happened with the bill to repeal the ''right-to-work'' provision of the Taft-Hartley Act in 1965 and the labor law reform bill in 1978. In 1974, Congress partially remedied the Taft-Hartley Act's exclusion of most hospital workers from coverage. The next year it passed a long-sought bill to remove picketing restrictions at construction sites. President Ford's veto of the measure led to the resignation of John T. Dunlop as Secretary of Labor.

since the days of the Murphy board. The Dotson board rules for the general counsel and against unions in 86 percent of the contested cases brought against unions. That means that the Dotson board finds substantial violations by unions at a rate exactly twice as great as the rate at which it finds violations by employers.

These statistics demonstrate that what we are witnessing from the current board is not, as some have suggested, a cyclical swing to the right following four years of Democratic rule. To the contrary, the current board is radically different from its predecessors, Republican and Democratic alike, in the anti-union bias it brings to even the run-of-the-mill cases. And as the House Subcommittee on Labor-Management Relations stated in its report last year: ''These tendencies lead to results as devastating in their impact on the individual employees whose rights are at issue—and as potentially chilling in their effect on those employees' co-workers—as any of the more widely reported decisions overruling established board doctrines.''

One area in which the board's biases have been clearly manifest has been with respect to employer conduct during organizing campaigns. Perhaps no principle is more fundamental to the Act than the rule that an employer may not threaten union supporters with adverse consequences for supporting a union. The current board has not—indeed could not—openly overturn this rule. But instead the board all too often has made a mockery of that principle by donning blinders so thick, it cannot see even the most transparent of threats by an employer. For example, in the Dotson board's view, an employer's statement that while we live in America the employer ''was a Yugoslavian company and the employees would not have a union'' was merely a statement of the employer's ''opinion about the likelihood of employees opting for unionization'' and such a statement would ''not have a tendency to coerce employees.'' Similarly, to the Dotson board, a supervisor's statement the day after an organizing campaign began that the company president was photographing employees so he ''could remember the employees after they were fired for union activity'' was not coercive as it could not reasonably have been taken seriously. And a manager's statement that ''if we are required to negotiate wages and benefits with this union,'' the company ''will insist on'' lowering the wages at the plant was not a threat as the board could ''discern no basis to warrant a conclusion that the employer improperly warned employees of a decrease in wages and benefits.''

Not surprisingly, the board has had less difficulty finding statements to be theatening when the statements were made by union representatives. For example, in one recent case the board found that a business agent had issued a threat when, in response to a question at a union meeting, the business agent truthfully stated that if union members worked alongside non-journeymen the union members could be subject to a fine if charges were filed; the fact that the business agent also stated that neither he nor any union officer would proffer such charges was of no consequence to the board. Similarly, in another case the board found a union guilty of threatening conduct when it told the employer that the union would assess a wage penalty on the employer because the union believed the employer had allowed bargaining unit work to be done by non-union employees.

The Dotson board has demonstrated a similar double standard in adjudicating cases involving election-related promises. Again, the fundamental rule is well-settled: an employer may not institute or promise new benefits during an organizing campaign because of the implicit message that the hand that giveth can taketh away if the employees defy the employer's wishes. But while paying lip service to this rule, the Dotson board found no violation when, on the day a recognition petition was filed, an employer announced two new holidays and increases in the company Keogh plan. The board faulted the administrative law judge who had found a violation in that case because, in the board's words, ''the judge based his conclusion on purely circumstantial evidence.'' The Dotson board likewise found no violation when, two days before an election, the employer paid a Thanksgiving bonus to all employees and announced a new stock option plan. But the board had no difficulty in overturning an election which was won by a union where on election day the union representative gave 25 employees jackets with the union insignia. Apparently the Dotson board believes that those who would otherwise oppose a union would be inclined to switch their votes after being given a union jacket (worth $16), but those who would favor a union would be unaffected by receiving a bonus, a stock option, or an enhanced pension plan from the employer.

The significance of decisions of this sort cannot be overstated. One measure of that significance is the fact that in each of the past two years, the number of workers who were added to union ranks through NLRB-conducted elections was roughly half of what it was in the years 1977-1980. While there are, of course, many factors that contribute to the labor movement's rate of success in organizing, it would be naive to pretend that the precipitous drop over the past four years—a drop unparalleled in recent history—was not in good measure due to the decisions of the Dotson board.

Of course, the organizing area is not the only one in which the Dotson board has manifested its biases; rather, the board has demonstrated an equal inability to apply honestly the rules governing an employer's bargaining obligations where the employer's employees have elected a bargaining representative. For example, one established rule to which the board has purported to adhere is the rule requiring an employer to bargain to impasse before the employer may institute unilateral changes in the terms and conditions of employment. Yet in one recent case the board found that an impasse was reached after only four bargaining sessions, even though those sessions had yielded a tentative agreement that was subject to ratification. The board explained that in its Alice-in-Wonderland world, ''an impasse may exist simultaneously with a tentative agreement.''

A second rule that is equally well-established is the rule requiring an employer who wishes unilateral changes to first propose these changes to the union in collective bargaining. Again, the board purports to accept this rule. But in another recent decision the board found that the employer had acted lawfully in implementing a higher hourly wage rate and a higher minimum weekly guaranteed rate than the employer had proposed to the union; it was sufficient for the Dotson board that the employer also instituted a new incentive plan and that, with the benefit of hindsight, it turned out that strike-replacements who received this new package actually earned no more money than had the strikers prior to the strike. Whether this was because of the new bonus plan, the new employees, or the strike remains uncertain; what is certain is that the union never had the opportunity to accept or reject this package, and that the board permitted this to occur.

The board has followed much the same tack with respect to the employer's duty to furnish information to the bargaining representative. The Dotson board claims to accept the principle that an employer must furnish relevant information to the union, and the Dotson board purports to apply the ''liberal, discovery-type standard'' required by board precedent. Yet in one recent case the board managed to apply that standard to uphold an employer's refusal to furnish information concerning operations at its non-union plant where, following the failure of concession bargaining at the employer's unionized plant, the employer shut down the unionized plant, reduced wages at the non-union plant, and continued operations at that plant. The Dotson board found no ''objective basis for believing that unit work was being diverted.''

There is one final illustration that best reveals the Dotson board at work. The case is called *Creasey Company* and it involved a plant shutdown. The employer in that case made a final and definitive decision to close his plant in late September; the employer contacted potential buyers for the business in early October and reached an agreement to sell in mid-October. But the union was never notified of the closing by the employer, and the union did not learn of the closing until four days before the closing was scheduled to occur at which time customers of the employer, who had been notified of the closing, informed the employer's employees.

The general counsel issued a complaint alleging that the employer had failed to bargain in good faith with the union over the effects of the closing decision. The general counsel relied on a long line of NLRB precedents—approved by the Supreme Court—requiring employers to engage in effects bargaining at a ''meaningful time.'' The administrative law judge found that the employer had breached its duty under these cases by delaying bargaining until the eve of the closing, at which time the union had no bargaining leverage remaining. But the Dotson board reversed the ALJ's decision, finding that the employer had provided ''reasonable notice to the union'' in light of the employer's justified concern ''with the possible immediate loss of its customers'' if the employer gave earlier notice. Thus, without purporting to change the law in any respect, the Dotson board transformed the requirement of notice at a *meaningful* time into a requirement of notice at a *reasonable* time. And to determine whether the timing of the notice was reasonable the Dotson board looked not to the statutary purpose of promoting bargaining but instead looked to the board members' personal agenda of easing burdens on employers. To the Dotson board the notice was reasonable precisely because it enabled the employer to carry out his business without disruption until the employer was ready to close. In short, in the guise of applying settled law the board actually nullified that law in order to save the employer from the inconvenience of having to deal with its employees.

Perhaps the best summary of the Dotson board's record is one my colleague Larry Cohen, general counsel of the AFL-CIO Building & Construction Trades Dept., offered in a speech to the labor law section of the Pennsylvania Bar Association. Larry recalled the student of comparative law who reached the following conclusions, after studying the legal systems in four European countries: in France, all activity is permitted, except that which is prohibited; in Germany, all is prohibited, except that which is permitted; in Russia, all is prohibited, especially that which is permitted; and in Italy, all is permitted, especially that which is prohibited.

And Larry suggested that in the view of this board, it seems that all employer activity is permitted, especially that which most of us had thought for many decades was prohibited by the Act; and all union activity is prohibited, especially that which had been considered permitted.

In the short run, the obvious losers from the Dotson board's approach to labor relations are unions and workers. But in the long run, I submit, this approach is dangerous to employers and the public as well. For if, as is increasingly occurring, workers and labor leaders lose confidence in the Labor Board and in the rule of law, their only recourse will be to resort to economic force; indeed, most union lawyers already are advising their clients that it is futile to seek the aid of the NLRB and that they are better served by seeking other means of redress. This is precisely what the Wagner Act was designed to prevent.

# EDITORIALS

## An 'Affront' to Workers

IT WAS almost worth the adverse 5-4 decision of the Supreme Court in a case involving a union's claim on the loyalty of its members during a strike to bring forward the strong and eloquent dissenting opinion written by Justice Harry A. Blackmun.

As Justice Blackmun sees it, the NLRB, whose dubious judgment the Supreme Court "supinely" accepted, has lost sight of the goal of the National Labor Relations Act.

The law was enacted, Justice Blackmun reminds us, because Congress had "determined that the individual worker standing alone lacked efficient bargaining power to achieve a fair agreement with his employer over the terms and conditions of his employment."

Its intent, he stresses, is to protect the right of workers "to join together and act collectively." In furtherance of that aim, Congress specified that nothing in the law shall "impede or diminish in any way the right to strike."

A decision to strike is not lightly made, Justice Blackmun notes. But it is sometimes necessary because, as he puts it, "the strike or the threat of strike is the workers' most effective means of pressuring employers."

Justice Blackmun chides the court majority for treating so lightly the commitment a union member makes to his fellow workers. A union member is not "a juvenile or incompetent whose promise may not be enforced against him because it is presumed not to have been made with awareness of the consequences."

The court majority's conclusion that "freedom under the National Labor Relations Act means freedom to break a freely made promise to one's fellow workers after they have relied on that promise," he writes, is both in conflict with federal labor law and "an affront to the autonomy of the American worker."

The court's decision is not quite as great a blow to effective unionism as the Chamber of Commerce proclaims, but that is only because the overwhelming majority of union members understand and practice the solidarity that is at the heart of the labor movement.

## Progress at GE

THERE IS a great deal to celebrate in the contract that a coalition of 13 unions has just negotiated with General Electric, and not just the improvements in pay, working conditions and union security.

For those with long memories, GE is the company that added the word Boulwarism to the labor relations dictionary. It is derived from the name of GE's industrial relations director a generation ago, who shaped a hard-nose strategy to deal with unions.

In a mockery of collective bargaining, GE would decide what concessions it was willing to give in its next contract and put that on the table with a take-it-or-leave-it ultimatum.

As part of its strategy, GE would seek to play union against union, taking advantage of the frequent competition among the diversity of unions at GE's many plants. Divide-and-rule was the name of the game.

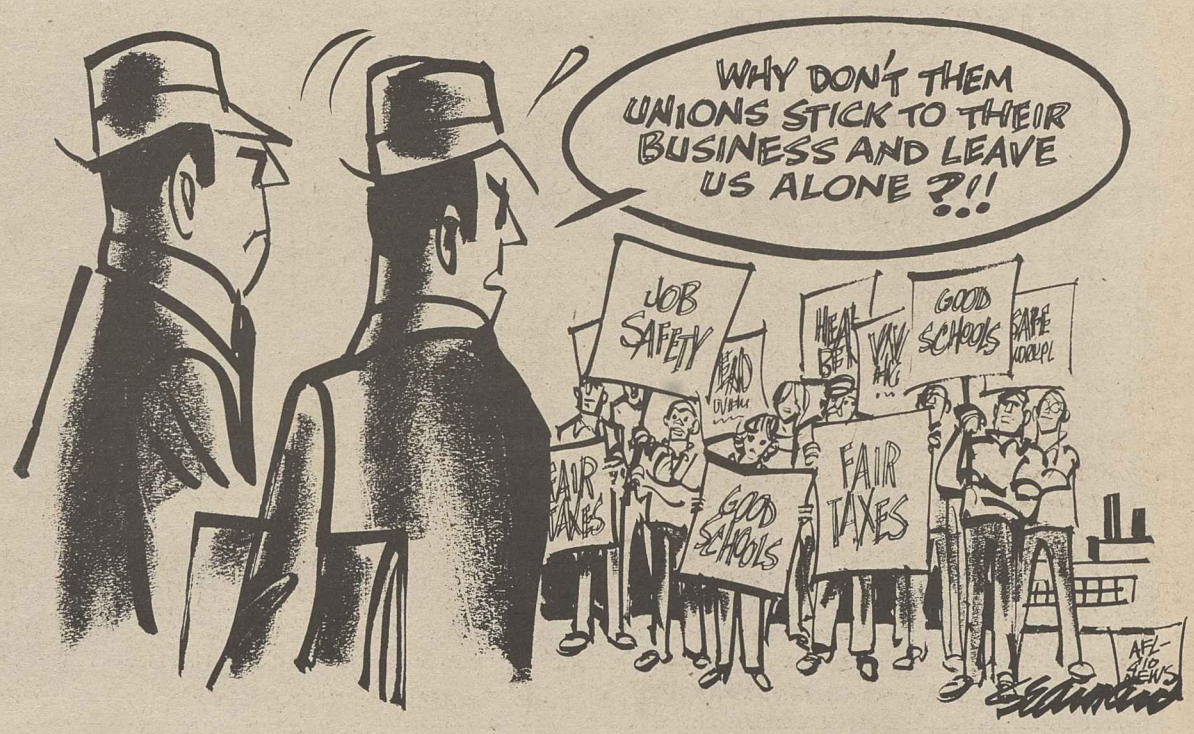
Eventually, NLRB and court rulings made it necessary for GE to be less blatant in its disdain for the give-and-take of collective bargaining. But the turning point was the refusal of GE unions and union members to let management divide them.

When the multi-union Coordinated Bargaining Committee was established 20 years ago, GE fought it in every way possible. In the end, it took a 101-day strike in 1969-70 to bring GE to accept inter-union solidarity as a fact.

George Meany, as president of the AFL-CIO, served as chairman of the Coordinated Bargaining Committee, and Lane Kirkland holds that post today. It is a reminder that the entire labor movement is determined that Boulwarism will not be reborn.

The new contract, which includes long-sought agency shop security, signals a welcome acceptance by GE that unions and collective bargaining are here to stay. Clearly, there will continue to be union-management differences, often deep and difficult.

But at the bargaining table or on the picket line, solidarity is the trade union movement's most important product.




**Washington Window**

# High jobless rates keep 10 states in recession pit

**By Press Associates, Inc.**

Another deep recession may be just around the corner, but 10 states have been stuck there for years.

The states that have never recovered from the 1980 and 1982 recessions are West Virginia, Louisiana, Oregon, Alabama, Mississippi, Alaska, Michigan, Indiana, Ohio and Idaho. The official unemployment rates in those states range between 9.5 percent and 13.4 percent. Counting the involuntary part-timers and the discouraged or dropouts their "real" jobless rates run from 17 percent to 24 percent.

The Full Employment Action Council, a coalition of labor, youth, church and civil rights groups, has been trying to focus national attention on the conditions and problems in those ten states.

• **West Virginia.** At 13.4 percent, this state has the highest jobless rate in the nation. Mining and steel, its major industries, were nearly wiped out in the last recession, devastating whole communities. Steel and coal imports and reduced demand for hard coal may force a change in the state's economy.

• **Louisiana.** Slack demand in the petroleum industry has given this state the nation's second highest jobless rate, at 11.7 percent. Oil refining boomed after the OPEC embargo, but has weakened since 1982.

• **Oregon.** Severe slumps in the timber industry and weakness in food and related industries combined to put the state in third place, with 11.1 percent jobless. A sharp rise in home foreclosures and demand for food banks has occurred.

• **Alabama.** Unemployment in March was 10.7 percent. Especially hard-hit are the steel industry in Birmingham and small factories in the northern area with ties to the auto and steel industries. In the southern area, textile mills and clothing manufacturers have shifted production overseas.

• **Mississippi.** The factory sector, especially in autos and furniture, has been depressed along with the timber industry. Farmworkers, making up a fourth of the labor force, are severely underemployed.

• **Alaska.** The jobless rate jumped after completion of the trans-Alaska pipeline. It moved down to 9 percent and is now up to 10.4 percent as factory jobs have steadily declined.

• **Michigan.** The nationwide erosion of the manufacturing sector has had a heavy impact on Michigan, where one of every three non-farm workers is a factory worker. Japanese auto imports have brought a decline in auto jobs and in supplier plants, tool and die and machine shops and in other factories. The jobless rate was 10.4 percent in March. Only one-third of the 459,000 officially jobless receive unemployment benefits. Soup kitchens are busy and a majority of Detroit's jobless lack health insurance.

• **Indiana.** The state's heavy concentration of goods-producing industries had little or no growth at the end of the 1970s and were hit hard by the recessions of the 1980s. The jobless rate was 9.7 percent in March, with 257,000 officially unemployed.

• **Ohio.** With 491,000 officially unemployed, the jobless rate was 9.7 percent in March. The erosion of the manufacturing sector and imports of finished goods from abroad hurt the state's industries. Exporting firms could not compete with low-wage nations while the dollar was overvalued.

• **Idaho.** Problems in mining and logging contributed to the state economy's decline since 1979. The jobless rate was 9.5 percent in March.

The Full Employment Action Council said the situation in these states calls for federal action.

The most encouraging recent happening is Labor Sec. William E. Brock's action in deciding to create a task force on plant closings and worker dislocation. There is hope for bipartisan support on Capitol Hill to help rejuvenate the fortunes of the worst-off states.

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# Agency shop, job security mark GE pact

**Continued from Page 1**

tract and choose to retire. The new supplement would be paid until they are 62 when they would come under social security coverage.

• Increased pension benefits for normal retirement. Minimum benefits will rise from the current range of $14 to $19.50 a month to a range of $16 to $22 a month at the end of the contract.

• Other contract improvements include a new vision care program, orthodontia coverage for workers' children under 19 years of age, and improved medical care coverage for retired workers.

Also agreeing to the settlement was the unaffiliated United Electrical Workers, which represents the second largest number of GE workers, about 8,600. The settlement will apply as well to the other unions on the Coordinated Bargaining Committee who will use its economic terms in arriving at local or national contracts.

The other unions are the Electrical Workers, Flint Glass Workers, Plumbers & Pipefitters, Steelworkers, Auto Workers, Machinists, Industrial Workers, Carpenters, Sheet Metal Workers, Firemen & Oilers, and the unaffiliated Teamsters.

### Westinghouse talks

Meanwhile, in Pittsburgh, the CBC's talks with Westinghouse Electric Corp. covering some 34,000 workers were suspended one week until July 8. While Westinghouse generally follows the pattern set by GE, it has indicated that it wants to break from that tradition, a position the unions are resisting.

Contract talks between the unions and GE opened May 14. From the start, Bywater had said that job security, improvements in the cost-of-living formula, a general wage increase, and early retirement were the main issues.

The number of workers covered at both GE and Westinghouse is down sharply from levels three years ago when the parties last bargained. In 1982, the unions represented some 100,000 GE employees and 41,500 Westinghouse workers.

The Reagan Recession and heavy imports made deep inroads into the companies' work force. Most production at both companies now involves heavy industrial equipment or defense work.



SEIU President John J. Sweeney testifies at House hearings on the need for federal rules requiring removal of hazardous asbestos from schools.

# *Union lawsuit prods EPA to extend asbestos rules*

The Environmental Protection Agency, in response to a suit by the Service Employees, has proposed extending federal asbestos safety rules to state and local public workers to protect them from the hazards of asbestos abatement work.

But the EPA's claim that its program for abating asbestos in schools is working is "tragically false," the SEIU testified before the House Subcommittee on Commerce, Transportation & Tourism.

SEIU President John J. Sweeney said that false claim "only encourages those schools that have inspected or abated poorly to assume that the hazard was removed, when it not only may remain, but may have increased."

Sweeney cited the opinion of EPA's principal technical consultant, Dr. Robert Sawyer, that under the present conditions, the EPA program "will cause more adverse health effects, including malignancies, than it can ever prevent."

He quoted an internal EPA memo that said the violation rate for the agency's asbestos inspection program is "so high that public perception of EPA handling of asbestos in the schools may rival Love Canal," in reference to the agency's inadequate actions at a toxic waste dump in New York.

Subcommittee Chairman James J. Florio (D-N.J.) blasted the agency's reluctance to issue a federal cleanup rule as "an abdication of national responsibility."

An internal EPA document estimated that 75 percent of the school cleanup operations have been done improperly and that this could result in the deaths of 1,190 students, teachers, maintenance and abatement workers.

Florio asked John A. Moore, EPA assistant administrator for pesticides and toxic substances, what further evidence the agency needed to take action, if the cost of improper abatement is 1,190 additional cancer deaths. The congressman said he and other panel members will consider federal legislation to force EPA to act.

### OMB role

Florio also quizzed Moore on the reported attempt of the White House's Office of Management & Budget to squelch EPA's efforts to require asbestos cleanup in schools and other public buildings. Moore denied OMB had influenced his reversal on the need for abatement regulations. Moore had earlier recommended the agency issue rules requiring removal of hazardous asbestos in schools and public buildings.

The union has battled for three years to get EPA to issue rules requiring removal of of hazardous asbestos from schools and to provide safeguards for workers, children and teachers during abatement work.

Current EPA regulations require only that a school district perform one-time inspection for friable, or flaking, asbestos and report the results to parents, teachers and employees. There are no rules requiring corrective action and until recently, no rules providing safeguards for workers performing the abatement activities.

Additionally, there is no requirement for reinspection and no certification program for contractors hired to carry out the asbestos cleanup.

The EPA has proposed extending federal safety rules on asbestos to state and local public employees to protect them from the potential hazards of abatement work. The agency made the rule effective immediately so that workers would be covered by summer when schools are closed and cleanup activities are increased.

OSHA is normally responsible for worker protection. However, it does not cover public employees at the state and local level. The proposed regulation will be effective in the 27 states that have not adopted rules for state and local government workers that are as strict as OSHA's worker protection standards.

The EPA regulation sets an exposure limit of 2 million fibers per cubic meter, equal to the current OSHA level. The health and safety agency has proposed reducing that limit to either 500,000 fibers or 200,000 fibers. EPA said it expects to revise its regulation when OSHA issues its revised standard.

The EPA rule also requires certain work practices, such as wetting of asbestos, use of personal protective equipment and special clothing, medical examinations, environmental monitoring and the posting of signs.

# Court 'defers' to NLRB on union curbs

**Continued from Page 1**

union self-government by a 3-1 vote. The board now is made up entirely of Reagan appointees.

Justice Blackmun's dissent was joined by Justices William J. Brennan, Jr., and Thurgood Marshall, with Justice John Paul Stevens agreeing with its conclusion.

The majority opinion was written by Justice Lewis F. Powell, Jr., who took the position that the NLRB's "special competence" in the field of labor law should be given "special deference."

In a concurring opinion, Justice Byron R. White put the position even more bluntly. He said the law could be interpreted as the union had urged. But since the NLRB's position was "reasonable," it was "necessary" for the court to accept its guidance.

Blackmun's dissent took strong exception. He chastised his colleagues for rubber-stamping a divided NLRB's conclusion "that a union commits an unfair labor practice when it enforces a worker's promise to his fellow workers not to resign from his union and return to work during a strike."

### Workers' choice

He noted that the case involved workers who had "freely made the decision to join the union and freely made the promise not to resign at such a time" and that "union members democratically made the decision to strike in full awareness of that promise."

Giving the NLRB position "undeserved deference," Blackmun said, has resulted in "improperly" restricting a union's right "to make and enforce its own rules" and has worked contrary to the intent of federal labor policy "to preserve the balance of power between labor and management by guaranteeing workers an effective right to strike."

Blackmun noted that union strength is grounded in "unity, solidarity and mutual commitment," and that this concept is particularly important during a strike when members are dependent for its success on the commitment of fellow members.

But the court's majority opinion did draw cheers from the U.S. Chamber of Commerce, whose spokesman hailed it as a vindication of the Reagan NLRB. The ruling "enhances the credibility of the Reagan appointees," the Chamber said, and "enhances the opportunity for an employer to continue operations during an economic strike."

The AFL-CIO statement said the decision will make it more difficult to conduct successful strikes. But "the board's ultimate objective—to cripple labor unions—will not be achieved."

# Kirkland reaffirms alliance of federation with NAACP

Dallas—The sturdy alliance between the labor and civil rights movements remains a major counterforce against injustice, AFL-CIO President Lane Kirkland said in a message to the NAACP's 76th annual convention here.

Kirkland pledged that the AFL-CIO will be working "side-by-side with the NAACP . . . in the fight to right the wrongs of the Reagan Administration and to restore fairness, equity and opportunity as our country's priorities."

It's time for those concerned with justice to "stand up and be counted," Kirkland suggested.

Under the Reagan Administration, he said, "government agencies and programs designed to guarantee civil rights have been placed in the hands of those who have no interest in administering or enforcing the laws that were won at great cost in the 1960s."

### Anti-worker policies

In a parallel pattern, Kirkland noted, agencies and programs designed to protect lives, health and human rights in the workplace have been turned against workers and placed in the service of unfair employers.

The Administration, meanwhile, "piously pretends that equal employment opportunity will be assured through destroying affirmative action programs and cutting the minimum wage for young workers. It continues to ignore the plight of millions of Americans, especially minorities, who remain jobless," Kirkland charged.

Delegates heard from the chairmen of both the Democratic and Republican parties, among others.

Democratic Chairman Paul G. Kirk, Jr., welcomed the Senate's rejection of President Reagan's attempt to promote William Bradford Reynolds to associate attorney general. Reynolds has been sharply criticized by the NAACP for his role as head of the Justice Dept.'s civil rights division.

Republican Chairman Frank J. Fahrenkopf, Jr., drew boos by chastising black Americans for having "isolated themselves" in the 1984 elections by supporting a presidential ticket that was "repudiated" by most other voters.

About 1,000 delegates and guests attended the traditional labor luncheon, which included presentation of awards to union people who have helped the NAACP.

AFL-CIO Vice President Frederick O'Neal and Auto Workers Vice President Marc Stepp are co-chairmen of the NAACP Ad Hoc Labor Committee, which sponsors the event. Rep. Esteban Torres (D-Calif.), a former UAW international representative and a White House aide in the Carter Administration, was the luncheon speaker.

Major presentations included the Roy Wilkins Award to Communications Workers President Glenn E. Watts, honored as a steadfast supporter of the NAACP. The William E. Pollard Award, named for the AFL-CIO's civil rights director, went to Barbara Van Blake, civil rights director for the Teachers. The labor committee itself received an award—an expression of appreciation from the NAACP.

# Auto Workers ratify 1st pact at GM-Toyota plant

**Continued from Page 1**

access to company data and decision-making.

UAW Region 6 Director Bruce Lee, who led the union bargaining team, said the job security provision is unprecedented. It calls for the company to reduce the salaries of officers and management employees, and return any subcontracted work to the bargaining unit before UAW-represented employees are laid off.

"We think this language goes beyond anything we have elsewhere in the industry to secure the jobs of our members and force management to plan alternatives to layoffs," Lee said.

For the first time in the domestic auto industry, the union won the right to join management in reviewing any unusual or mitigating circumstances in considering a potential discharge or suspension case. The joint review would take place prior to any final decision.

Other provisions include consideration of seniority in transfers, a union voice on the speed of work, establishment of a joint safety committee, and an educational leave provision.

# *Aerospace firm gets a lesson in union solidarity*

Grand Prairie, Tex.—A union that grew stronger in adversity forced the Vought Aero Products Division of LTV Corp. back to the bargaining table and won restoration of benefits the company had unilaterally revoked when a previous contract expired more than 15 months ago.

Members of UAW Local 848 worked without a contract, under takeback conditions unilaterally imposed by management, until they were strong enough to meet the company on equal terms. The result was:

- Restoration of cost-of-living protection management had abolished when the previous contract expired.
- Replacement of the permanent two-tier pay system imposed by management with a gradual closing of the gap between new hires and older employees.
- Resotration of prescription drug coverage and other health benefit cutbacks imposed by management.
- Improvements in pensions and other employment benefits.
- Reinstatement with back pay of 65 union members fired on trumped-up charges and flimsy pretexts.

UAW Sec.-Treas. Ray Majerus, who directs the union's Aerospace Dept., termed the new three-year agreement a tribute to the "solidarity and determination" of the workers at the Grand Prairie plant and of UAW members in other aerospace locals who helped sustain the battle.

Local 848 President Carroll Butler and UAW Assistant Regional Director Jerry Tucker gave an insight into the strategy that proved successful against an employer who had appeared determined to break the union —and strong enough to do so.

Previous contracts had all been negotiated without a strike, and in the "right-to-work" state of Texas, where a union shop is illegal, Local 848 was bargaining from weakness. Membership had slipped, as management well knew from the checkoff lists, and the company was well ahead of schedule on its work—primarily subcontracting for major aerospace companies such as Boeing.

With concurrence by the local leadership and the UAW district staff, the decision was made to stay on the job and build the union's strength through a solidarity campaign.

The company cancelled the checkoff—and the union hand-collected dues, gradually building paid membership from about 2,300 when the previous contract expired to more than 3,600, including the big majority of new hires.

Union members resisted overtime, and the company began to fall back on its production schedules.

Active union members were fired—for refusing to work overtime, for participating in union demonstrations, for being late to work or "trespassing." The National Labor Relations Board refused to issue an unfair

**Continued on Page 3**

AFL-CIO news

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MEMO FROM COPE

PAGE 8



## 'No' to subminimum

Youth delegation that met with Labor Sec. William Brock to urge an alternative to the Administration's subminimum youth wage proposal answers questions from reporters. At microphone is Kathleen Murphy, a student at T.C. Williams High School in Alexandria, Va. Others, from left: Bill Morton, NAACP Youth & College Division; Eugene Grant, Duke Ellington High School of Performing Arts, Washington, D.C., and Joel Klaverkamp of the AFL-CIO's Frontlash organization.

# Labor urges clear stand on bill to ban sex bias

The AFL-CIO urged House members to close a loophole in civil rights legislation without clouding the issue with controversial new amendments dealing with abortions and exemptions for religious institutions.

Labor's position was expressed in a letter from AFL-CIO Legislative Director Ray Denison to House members and at a Capitol Hill "speak-out" organized by a coalition of civil rights advocates.

Last year's Supreme Court decision in the Grove City College case so narrowly interpreted the ban on sex discrimination in colleges helped by federal funds that civil rights groups were unanimous in pressing for legislative changes to clarify the intent of Congress.

There was agreement, too, that the legislation should cover a range of civil rights laws that could be subject to the same interpretation the Supreme Court gave to the ban on sex discrimination in education. The remedial legislation, approved by both the House Judiciary and the Education & Labor Committees, would similarly amend the Civil Rights Act, the Rehabilitation Act ban on discrimination against disabled persons, and the Age Discrimination Act.

### 210 co-sponsors

But the consensus for the legislation was threatened when the Education & Labor Committee added to the bill an emotion-laden abortion amendment that civil rights strategists fear could doom the measure.

Denison's letter noted that the changes added by the Education & Labor Committee inject "unnecessary and divisive issues" in a measure that was introduced with 210 co-sponsors from both parties.

He asked adoption of the Judiciary Committee version and urged supporters of other changes to press their case in separate legislation and not "opportunistically" seek to achieve them through the Civil Rights Restoration Act.

A number of unions were among the dozens of organizations joining in the

**Continued on Page 4**

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7/13/85

# 7.3% jobless rate persists as brake on U.S. economy

**By James M. Shevis**

Unemployment stayed stuck at 7.3 per cent in June for the fifth month in a row, providing further evidence that the so-called recovery from the long Reagan Recession has run out of steam.

"There is clearly a slowdown in the growth of the economy," AFL-CIO Research Director Rudy Oswald said.

"In spite of increasing signs of a downturn, however, the Reagan Administration is still whistling happy tunes, and hoping that Americans won't notice the record-high deficits and the worst trade deficits in the nation's history."

Oswald said it is "high time" for Congress to correct the Administration's misguided economic policies, restore fairness to the federal budget, put in place a realistic trade policy, and get the nation's industries back on track.

Once again, the manufacturing sector—hard hit by foreign competition—took it in the neck, losing 45,000 jobs in June over a wide spectrum of industries. That brought the total number of factory jobs lost since January to 220,000.

The Bureau of Labor Statistics said in releasing the June figures that the largest factory job losses last month were in the machinery and electrical equipment industries.

Jobs in the service sector of the economy —the main engine of growth since the 1981-83 recession—rose by 136,000 in June, but that was a much slower rate than the increase of almost 300,000 in May.

BLS Commissioner Janet L. Norwood, discussing the employment restructuring that has been going on for some time in the nation, told the congressional Joint Economic Committee that the manufacturing sector has recovered only 58 percent of the total jobs lost during the Reagan Recession.

Norwood said five industries—steel, textiles, chemicals, petroleum and coal products, and leather goods—actually have lost jobs during the so-called recovery.

### Service jobs

Over the past 12 months, the number of jobs in goods-producing industries has increased by 260,000 to 25 million. At the same time, jobs in service-producing industries rose by 2.9 million to 72.4 million—a rate 11 times faster than in the goods-producing sector.

Employment in the construction industry remained about the same in June, at about 4.5 million.

The BLS report showed an unusually large drop of 593,000 in both the total number of jobs and the size of the work force in June. Norwood told the congressional panel these declines may have something to do with technical difficulties in the BLS survey that computes them and subsequent seasonal adjustments that factor in the

**Continued on Page 4**

# *Maine shipyard strikers battle takeaway demands*

Bath, Me.—Some 4,500 members of Marine & Shipbuilding Workers Local 6 remain on strike against Bath Iron Works, one of the East Coast's largest shipyards, after rejecting the company's demands to slash contract benefits management unilaterally devalued to win a Navy contract.

The company's final contract offer contained a two-tier wage system that would lower the scale permanently for new hires by $3 per hour, freeze wages for three years and reduce health insurance from 100 percent coverage to 80 percent with a deductible and a cap of $1,500 per family. It also demanded provisions for "cross-trading," which would require employees to perform work outside their job classifications.

The rejection vote was 3,500 to 24. The strike began July 1. Strike coordinator Milt Dudley predicted it could be a long one.

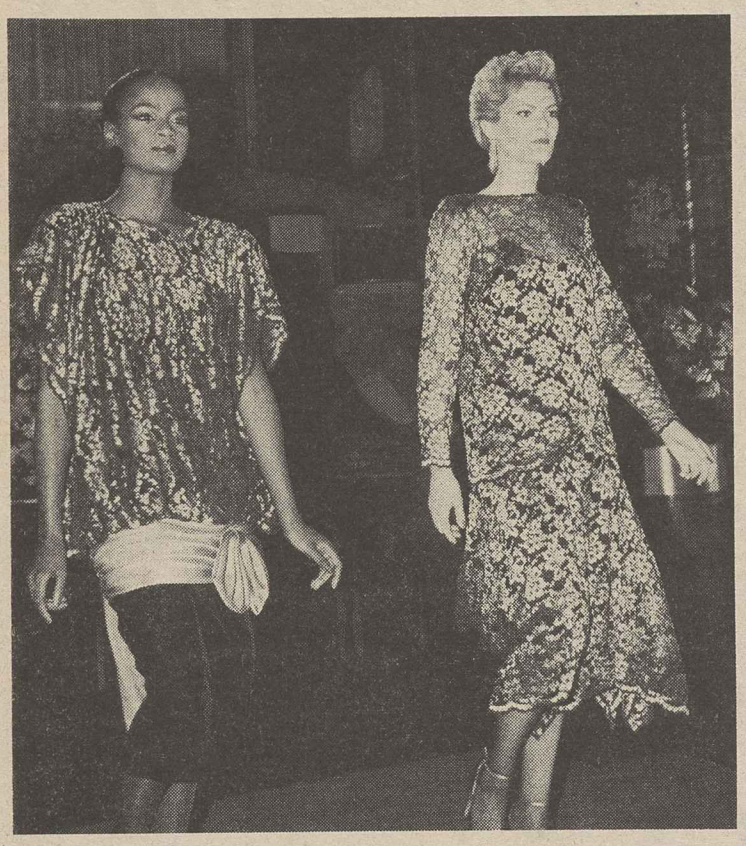
Bath Iron Works, a subsidiary of the privately owned Congoleum Corp. of Portsmouth, N.H., tried to convince its workers that in order to get its latest Navy contract, which could result in billions of dollars of work for the shipyard, it had to base its bid on reduced wages for its workers.

"It's absolutely essential that the company negotiate a package that reflects what we bid," Bath Iron Works President William E. Haggett said.

Dudley charged that the company has refused to bargain in good faith and offered a proposal it knew would force the union to strike. The result has been to the company's advantage, he said.

Management of the firm prepared for the strike well in advance, Dudley said, noting

**Continued on Page 3**





## Haute (union) couture

Ladies' Garment Workers President Sol C. Chaikin opens the latest showing of haute couture, union style, for the ILGWU's "All American Fashion Show" at New York's Rockefeller Center. Rep. Joseph Addabbo (D-N.Y.), right, joined Chaikin in welcoming the more than 200 legislators and their families who viewed the successful partnership of world-class American design and ILG workmanship.

# Court allows limit on U.S. charity drive

A divided Supreme Court ruled that the federal government can limit a once-a-year-charity drive among federal and postal workers to health and welfare agencies and organizations providing direct assistance to individuals and families.

But a ban on participation of so-called "advocacy groups" must be applied impartially, the high court held, and must not reflect political favoritism.

The Supreme Court action overruled a decision of the U.S. Court of Appeals for the District of Columbia that a 1983 Executive Order by President Reagan infringed on the First Amendment.

But the Supreme Court sent the case back to a federal trial court for further hearings on whether the ban on advocacy groups is even-handed.

Most of the organizations traditionally taking part in the annual Combined Federal Campaign operate through the United Givers Fund or comparable local umbrella groups. However, employees may designate contributions for various other organizations that have been allowed to participate.

The NAACP Legal Defense & Educational Fund, one of the groups that challenged the Executive Order, won the right to seek designated contributions in a 1980 court case.

Thereafter, former Office of Personnel Management Director Donald Devine fueled a heated controversy by announcing the admittance of a group of right-wing organizations, including the National Right to Work Legal Defense Fund, to the solicitation list.

### Federal action

Unions of federal and postal workers were especially outraged at Devine's action, and legitimate charitable groups feared a decrease in employee participation. The result was government action to reassure workers that the anti-union fund would not share in any UGF allocation and that any money received by the "right-to-work" fund would have to be specifically earmarked by the contributor.

When the Executive Order was issued, there was widespread speculation that the inclusion of right-wing groups was a ploy by Devine to gain a consensus for eliminating all advocacy groups and thus purging the campaign of groups considered hostile to the Administration.

The Supreme Court majority decision, by Justice Sandra Day O'Connor, said the government can limit participation "in order to minimize disruption to the federal workplace, to ensure the success of the fund-raising effort, or to avoid the appearance of political favoritism without regard to the viewpoint of the excluded groups."

# Conrail bidder, rail union agree on job protections

Railroad unions representing workers on Conrail, the government-run freight line, reached agreement in principle with Morgan Stanley & Co. on labor protection provisions that would take effect when the carrier is turned over to the private sector.

In supporting the New York-based investment firm as the prospective purchaser of the line, the Railway Labor Executives Association's task force posed an alternative to the Transportation Dept.'s choice of Norfolk Southern Corp.

Legislation providing for the sale of the carrier to Morgan Stanley has been introduced in Congress, which must approve the transaction, and Rep. James Florio (D-N.J.), chairman of the House Energy & Commerce subcommittee on transportation, scheduled hearings on the proposed sale.

Morgan Stanley, which would still have to reach agreement with the 19 individual unions represented by RLEA, proposed paying $1.2 billion in cash for the railroad and then selling stock over a five-year period in the new company that would be formed.

The federal government owns 85 percent of Conrail, which was formed in 1976 out of the bankrupt Penn Central and other ailing Northeast carriers' assets. Conrail's 39,000 employees hold the remaining 15 percent in an employee stock ownership plan.

Norfolk Southern, a transportation company based in Norfolk, Va., has also offered the government $1.2 billion. It is still holding its own discussions with labor.

The unions oppose the government's choice of Norfolk Southern as buyer on grounds that its takeover of Conrail would result in a sharp reduction of jobs.

The Morgan Stanley agreement on labor protections, reached in Washington July 3, calls for negotiating and executing a definitive accord within 45 days. The RLEA said in a statement that the investment firm would maintain Conrail as an independent entity.

### Public interest

"RLEA believes that an independent Conrail will best serve the public interest by preserving vigorous competition in the Northeast and Midwest," the task force said.

"Shippers and the public, as well as Conrail's employees, will benefit from the agreement."

Highlights of the labor protection plan, released by the Railway & Airline Clerks, include supplemental unemployment benefits for those laid off beyond those provided under the Railroad Unemployment Insurance Act, subsistence allowances, health and welfare coverage, new career training assistance, and moving expenses up to a maximum of $25,000, and purchase of Conrail stock held by employees for $48 a share.

## John F. Schreier dies, retired AFL-CIO staffer

Hartland, Mich.—John F. Schreier, retired assistant director of the AFL-CIO Dept. of Organization & Field Services, died here July 3 after a long illness. He was 79.

AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue in a telegram to his wife Elizabeth, recalled Schreier's many years of service to the labor movement.

"John made many significant contributions to working men and women. He represented the best of trade unionism," they said.

Schreier served in the assistant director post from 1956 to 1966 when he was appointed AFL-CIO regional director for Region XI, covering Michigan and Indiana.

He had belonged to the Carpenters and the Retail Clerks prior to becoming an organizing representative on the AFL staff in 1937. He later served as assistant regional organizing director in Detroit until being named the assistant director of the department.

Besides his wife, he is survived by three children and eight grandchildren.

Funeral services were held July 6 at St. John's Catholic Church in Hartland with burial at the church cemetery.

## 3 get 25 years in cyanide deaths

Chicago—Three former corporate officials, convicted of murder last month in the 1983 death of a worker exposed to cyanide on the job, were sentenced to 25 years in prison and fined $10,000 each.

Cook County Circuit Judge Ronald J.P. Banks levied the sentences, comparing the three officials of the defunct Film Recovery Systems, Inc. to someone who would leave a ticking time bomb on an airplane.

The company's nearly 30 workers, most of whom were illegal aliens who spoke no English, were daily exposed to 140 open vats of cyanide solution used in recovering silver from photographic film processes. In February 1983, Stefan Golab, a 61-year-old Polish immigrant, died after inhaling cyanide fumes at the Elk Grove plant, north of Chicago.

The company officials—former President Steven J. O'Neil, plant manager Charles Kirschbaum and foreman Daniel Rodriguez —will be eligible for parole in 12½ years under Illinois law. Each man was also sentenced to serve 364 days in jail on each of 14 counts of reckless conduct, to be served concurrently with the murder sentence.

The judge also fined Film Recovery Systems and Metallic Marketing Systems, which owned half of Film Recovery's stock, $10,000 each for involuntary manslaughter, and $1,000 for each of 14 counts of reckless conduct.

Jay Magnuson, head of the Cook County prosecution team, said he is reviewing a possible third effort to extradite Michael T. MacKay, president and part-owner of Film Recovery, from Utah.

## *Repeal bill veto saves Louisiana wage standards*

Baton Rouge, La.—Louisiana's prevailing wage law for state construction projects remained on the statute books as the state Senate failed to override the veto of a labor-opposed repeal bill.

The measure, pushed by non-union contractors, had passed the Senate 20-16, and needed a two-thirds majority to override the veto. Instead, it lost support and the override attempt failed to muster even a simple majority.

The veto message of Gov. Edwin Edwards said prevailing wage laws such as the federal Davis-Bacon Act and its state counterparts are good for the economy and result in "quality workmanship" that "more than offsets the cost of higher wages."

### RTW effort fails

Anti-union groups also were thwarted in their attempt to make Louisiana's "right-to-work" law banning union shop agreements a part of the state constitution.

Earlier in the session, the constitutional proposal had fallen one vote short of the two-thirds required. An attempt to revive the constitutional amendment on a reconsideration vote failed by the same margin shortly before the legislature adjourned, despite an intense campaign by the National Right to Work Committee, its Louisiana affiliate and allied employer groups.

Throughout the session, State AFL-CIO Legislative Director Carl Crowe commented, "labor played defense—successfully."

# Edward F. Carlough dies, retired Sheet Metal leader

Alexandria, Va.—Edward F. Carlough, president emeritus of the Sheet Metal Workers and a pioneer in the establishment of health and welfare and pension programs in the construction industry, died at home on July 9. He was 81.

In letters of condolence to Carlough's wife Florence and a son, Edward J. Carlough, the current president of the Sheet Metal Workers, AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue noted that Carlough's "pioneering work in the fields of pensions, health and welfare benefits opened new dimensions of collective bargaining."

Carlough was elected president of the Sheet Metal Workers in June 1959 after having served eight years as secretary-treasurer. He was made president emeritus upon his retirement in 1970.

Carlough apprenticed as a sheet metal worker and in 1927 joined Local 28 in New York City. He was elected president and business manager of the local in 1941 and served in that position until he became secretary-treasurer of the international union in 1951. While serving as a local officer, he also was a vice president of the international.

He also served as a vice president of the AFL-CIO Metal Trades Dept.

Under his leadership, Local 28 negotiated the first health and welfare plan in the construction industry in 1946. Four years later, he pioneered the negotiation of the first pension plan in the construction trades.

He was a member of the Wage Adjustment Board during the Korean War and was instrumental in opening the door for all unions to obtain welfare plans. His proposal to allow up to 7 ½ cents per hour to be used for welfare programs, despite a national wage freeze, was implemented by the board.

### Joint board

Carlough also helped establish the National Joint Adjustment Board to improve labor-management relations in the sheet metal industry.

Hofstra University in New York City established a labor law chair in his name in 1981.

Survivors include his wife, three children, eight grandchildren and nine great grandchildren. Funeral services were held at Queen of Apostles Catholic Church in Alexandria with burial at National Memorial Park in Falls Church, Va.

## Ultimatum rejected

# Bath shipyard strike answer to takeaways

Continued from Page 1

that heavy amounts of overtime were required last fall and winter to get well ahead on production.

Several weeks ago, the shipbuilder stopped laying off workers in anticipation of the strike.

The overall thrust of the company's efforts, Dudley said, is to make itself an attractive property for a takeover. He pointed out that Bath Iron Works was purchased in 1979 by Congoleum in a leveraged buyout. With its history of completing construction ahead of schedule, coupled to a contract that would severely hold down labor costs, the company would appear on paper to be ripe for a takeover, Dudley observed.

Management of the shipbuilding firm prepared for the strike by installing security cameras at its various facilities in Bath, Portland and Brunswick. It also installed a variety of electronic security gear and is protecting the homes of company negotiators with guards, Dudley reported.

"They've gone berserk," he said. They were expecting great things from us, but they won't get it. Our picket lines are peaceful."

The company ran a full-page ad in the Maine Sunday Telegram July 7 comparing pay scales at Bath with those at other East and Gulf Coast shipyards.

Dudley sought to follow the company's lead by presenting both sides of the conflict to the public, not just the company's side. But management rejected his offer to debate company officials on television.

The local has maintained round-the-clock picketing at five sites and has scheduled a solidarity parade in Bath for July 21.

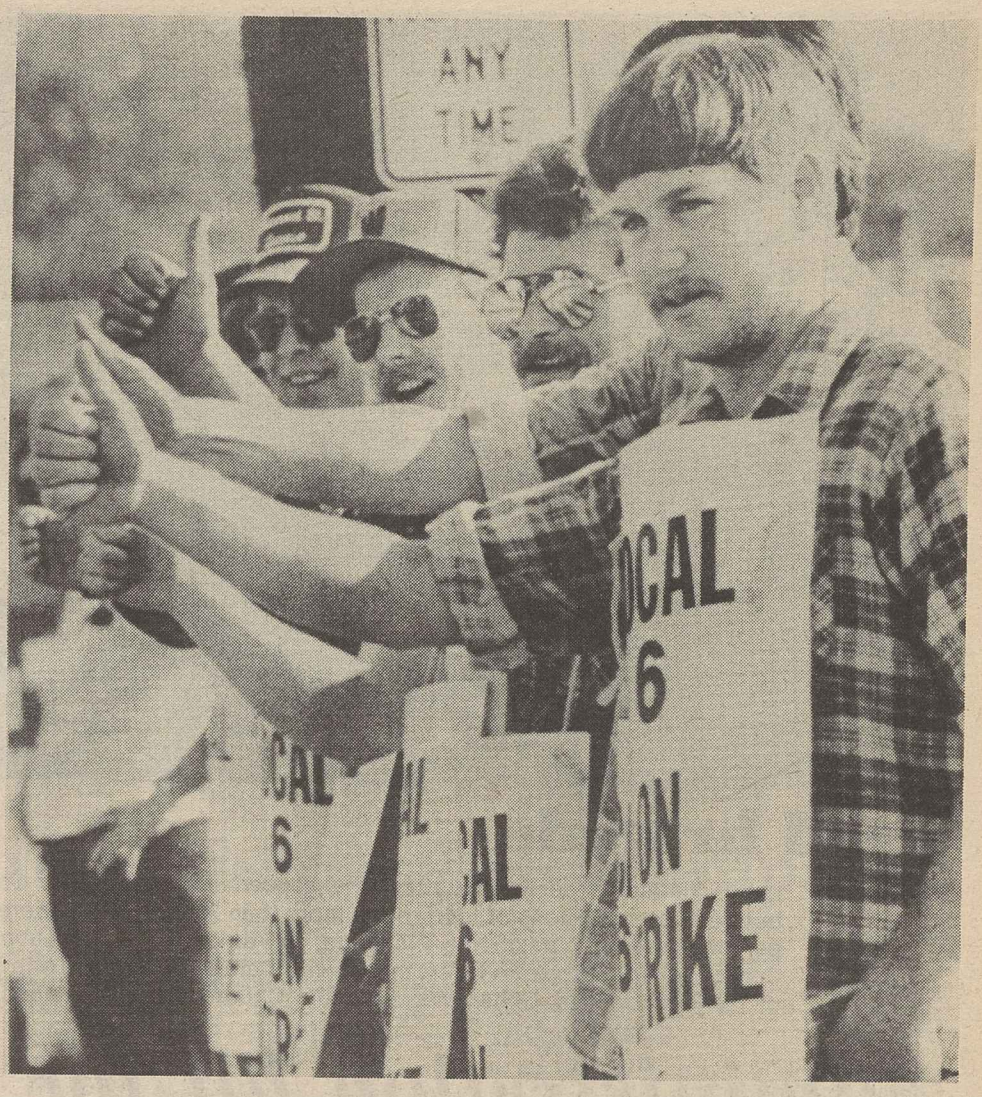
Dudley said the company has steadfastly refused to show the union its books.

"We don't believe they need concessions. They've demonstrated in the past that they are not to be trusted," he said.

Last summer, the company urged the union to open negotiations early, offering to settle the economic questions. When the union agreed to bargain, management "went for the jugular" and tried to eliminate seniority from the contract, Dudley said.

Troubles at Bath Iron Works also involve Marine & Shipbuilding Workers Local 7 which has been on strike for 13 weeks. Its 375 members are clerical workers who are bargaining for a second contract.

Both locals have filed unfair labor practice charges against the company, but the National Labor Relations Board's response has been "lackadaisical, at best," Dudley said.




Members of the Marine & Shipbuilding Workers Local 6 give a show of their solidarity during the union's walkout at the Bath Iron Works.

## House bill curbs closing of federal field offices

The House passed by more than a two-thirds vote a labor-supported, Administration-opposed bill to require federal agencies to notify Congress at least 120 days before shutting down a field office or making other significant changes that would adversely affect federal employees.

Rep. Patricia Schroeder (D-Colo.), its chief sponsor, said members of Congress have been frustrated and angered by the Administration's failure to keep them posted about planned changes in district offices. In some cases, she said, agencies have professed ignorance about plans for closings that obviously were well under way.

The bill, which has elements of plant-closing legislation proposed for the private sector, was taken up under a no-amendment procedure requiring a two-thirds majority and was passed by voice vote.

Office of Management & Budget Director David A. Stockman sent a letter stating that the Administration was "strongly opposed" to the bill.

# Machinists kill 2-tier pay at General Dynamics plant

Pomona, Calif.—The Machinists, on the strength of coordinated bargaining, eliminated a two-tier wage system from its new three-year contract with General Dynamics Corp. plant here.

"The two-tier is now dead at GD/Pomona," IAM Vice President Justin Ostro said. "And at the end of the next round of aerospace bargaining, with an exciting new program of coordinated bargaining firmly in place, I am confident that our IAM negotiators will have exorcised the evil wage rate from any other aerospace contracts that have it in place."

The dual wage system was launched by the company in the last three-year contract and has created morale and production problems, the union reported.

The first aerospace company to initiate a two-tier pay system, Hughes Aircraft, was reprimanded by the U.S. Air Force for alleged "poor workmanship" as a result of the labor division caused by dual wages.

The firm has since dropped the worker-exploiting experiment, the IAM noted.

### Covers 4,000

The new package at GD's Pomona facility covers more than 4,000 members of Local 1980. For the first time, the contract provides for checkoff of voluntary contributions to the Machinists Non-Partisan Political League, the IAM's political action group.

The new contract also eliminates a dual level cost of living adjustment that paid a smaller COLA to those in the lower grades.

The IAM members at GD/Pomona also won a 3 percent wage increase in the first year of the contract and two 4 percent, lump-sum payments in the second and third years.

Other provisions of the contract include:

- An increase in monthly pension benefits to $16 per year of service and to $18 in 1987. Those retiring now will also get the $18 benefit in 1987.
- Fully paid HMO medical plans.
- Reduction in the number of pay grades from 17 to 10.
- Improved dental insurance and free generic prescription drug plan.
- Creation of a joint union-management committee on new technology and protection from layoffs as a result of automation.

The contract was settled three days before the expiration of the previous agreement.

# *Texas aerospace firm gets lesson in union solidarity*

Continued from Page 1

labor practices complaint against the company, despite what the UAW considered blatant union-busting.

From Oklahoma City, editor Suzy Cox and co-editor Joe Hutchison of the UAW Local 1999 newsletter came to Grand Prairie to report on a sister local's battle.

"Morale is incredibly high," they reported. "Fired members, once dubbed the 'victims,' now sport shirts proclaiming they are the victors. The sense of community and solidarity is thick in the air."

Hutchison interviewed Loretta Black, fired after she had led workers in singing Solidarity Forever in a protest demonstration. At the time, she told him, "I didn't even know all the words to the song."

The labor editors reported that Black now knows all the words and proudly bangs out the tune on the old upright piano in the Local 848 hall. In another part of the hall, they found another "victim" working the local's personal computer that holds the dues information the company once provided under its union contract.

The UAW's Turner spoke of the Solidarity Fund that sustained the fired workers, supplementing the international union's own assistance program. UAW locals throughout the country, especially aerospace locals, made large contributions, he noted. There were donations from some other unions in the area, principally the Machinists and Steelworkers.

And the Vought workers themselves contributed substantially to their fired fellow-members, with weekly plant gate collections and a series of fund-raisers that included a '50s dance, flea markets and fish fries.

### Back to the table

Getting the company back to serious bargaining didn't give the union all it had sought, and union negotiators were disappointed that the two-tier pay scales couldn't be more quickly phased out.

But the union was able to give management a vivid demonstration of the distance it had come since it had been forced to back off more than 15 months earlier. The UAW set a strike deadline, and when talks ran into the midnight shift, picket lines went up—and no one went through them. Three hours later, agreement was reached and later that day it was ratified. Vought Aerospace workers again had a union contract.

# $15 million backpay accord preserves Jewel store rates

Chicago—Members of the Food & Commercial Workers have won a long and bitter battle with a giant retail chain to preserve their wage rates and working conditions.

UFCW Local 881 members employed at Jewel food stores in the Chicago metropolitan area took on the big chain when it unilaterally slashed their wages and vacation time. Sixteen months and a running court battle later, the employer agreed to pay back some $15 million in wages to about 18,000 workers.

"We're very happy with the settlement. It returns to our members all of the money that was taken from them, and that's what we've been fighting for ever since the wages were first cut," Local 881 President Ronald E. Powell said.

The settlement, ratified by a 6 to 1 margin, includes full retroactivity of all wages, including overtime and Sunday pay; reinstatement of vacations and personal leave that were cut, and reinstatement of all pay rates and length of service progressions, except in northwestern Indiana where wages remain at the rates Jewel put in force in February 1984.

The contract dispute goes back to December 1983, when Jewel demanded concessions from its workers. These included wage cuts of 20 cents to $1.75 an hour, elimination of certain personal leave days, and up to a week's vacation for some full-time employees.

When its proposals were rejected by the union and its members, the company imposed the cutbacks unilaterally.

All of this was in direct violation of the collective bargaining agreement Jewel had signed with the UFCW local a couple of months earlier as well as in clear violation of labor law.

### Unfair practices

The union filed a $25-million lawsuit against Jewel in federal court and unfair labor practice charges with the National Labor Relations Board.

Local 881 followed through with an informational campaign, special membership meetings, interviews in local newspapers and on television and radio stations, picketing of Jewel stores and a mass demonstration at Jewel's annual stockholders' meeting in June 1984.

The payoff came with a new contract to replace the one that expired on June 15. Jewel agreed to pay back the wages taken from employees since February 1984 and restore vacations and personal leave.

Acceptance of the pact, by a mail vote of 6,367 to 1,053, also included an agreement by the parties to drop all legal action against each other.

## National Mediation Board elects Wallace chairman

Walter C. Wallace is the new chairman of the National Mediation Board, succeeding Helen Witt.

Wallace, who joined the board in October 1982, also served as chairman of the independent federal agency from July 1983 through June 1984.

By law, the board selects its own chairman for a year's term. The panel handles collective bargaining and representation disputes in the railroad and airline industries under the Railway Labor Act.

Wallace has been active in labor-management disputes for 30 years, in both industry and government.

A third position on the board remains to be filled.



# Food brigade

Labor community service volunteers help speed distribution of some 35 tons of food to the more than 3,000 persons waiting outside the Wheeling, W.Va., Civic Center. Joining in the effort were unions, the state Dept. of Human Services, United Way, and the Children & Family Service Association. An estimated 1,800 persons were helped during the first hour of the quarterly distribution of surplus foods. West Virginia continues to have one of the nation's highest jobless rates, and has sustained severe economic hardships in recent years.

# *Administration hit for allowing imports produced by forced labor*

The AFL-CIO scored the Reagan Administration for its continued nonenforcement of a 45-year-old law banning the importation of goods produced by forced labor, and proposed corrective measures.

"We cannot accept . . . failure to enforce a law that embodies a principle so fundamental to a humane society as to require no defense," Tom Kahn, an assistant to Federation President Lane Kirkland, told the Senate Finance subcommittee on international trade.

Other witnesses urged the Administration either to enforce the 1930 Smoot-Hawley Tariff Act, which bans imports produced by forced labor, or revoke it. The State Dept. says that some four million people in detention or prison camps in the Soviet Union alone are engaged in mining or producing goods.

In his testimony before the Senate panel, Kahn contended that "one might well argue that forced labor (in the USSR) is not confined to the four million workers in the camps."

In view of the Soviet Union's "parasitism" laws which require persons to work or be put to work for the state, its internal passport system, absence of a genuinely free trade union movement, and other restrictions on workers' rights, "practically everything we import from the Soviet Union is produced by forced labor," Kahn said.

Estimates of the value of Soviet slave-labor goods imported into the United States vary from as low as $10 million to more than $225 million.

What irks the AFL-CIO, Kahn said, is the claim by the Central Intelligence Agency that it is unable to obtain adequate evidence to enforce the 1930 law. Section 307 of the statute provides that the U.S. Customs Service must have information that "reasonably but conclusively" proves that products made by forced labor abroad are coming into the country.

## CIA report

Customs Service Commissioner William von Raab testified that the CIA has informed him that its evidence on the importation of Soviet slave-labor goods is "fragmentary and not very specific."

Kahn said a way out of the morass would be to ban an entire product line on evidence that any product in that line was made with forced labor.

"Whether or not this proposal is adopted," he said, "American intelligence-gathering agencies should be directed to redouble their efforts to trace the flow of slave-labor goods into the United States."

Kahn suggested that the government or private human rights organizations conduct in-depth interviews of former Soviet citizens now living in the West who once were confined to slave-labor camps to get first-hand information.

# Flight Attendants at United reach back-to-work accord

The Association of Flight Attendants reached a back-to-work agreement with United Airlines that provides for the return of all members to their jobs by Sept. 1 and ratifies other issues lingering from last month's pilots' strike against the carrier.

More than 90 percent of the AFA's 9,600 members at United stayed off the job during the Air Line Pilots' strike. But when ALPA settled its dispute with the airline, the company and the Flight Attendants were unable to agree on back-to-work terms.

The Flight Attendants returned to their jobs, but filed suit in U.S. District Court in Chicago to recover their seniority rights and benefits.

After prompting from Judge James Parsons, the two sides came to terms July 2. All attendants who honored the ALPA picket lines will be returned to work at their pre-strike domiciles according to a staggered schedule.

The sole exception is United's Miami base, which will close Aug. 31. The agreement calls for certain additional benefits for Miami-based attendants.

## Charges dropped

Both parties also agreed to drop all litigation and disciplinary charges resulting from the strike.

"The fact we were able to come to terms proves that both sides wanted to leave the strike behind them," AFA's United Chairperson Patricia Friend said. "We hope that the agreement will pave the way for smoother negotiations in the future."

As of July 1, 826 flight attendants had not returned to work. The agreement calls for the immediate recall of 170, with another 114 returning to work in the next two or three weeks.

The carrier also agreed to special leave-of-absence programs to create vacancies for flight attendants, which could result in all of them being recalled before Sept. 1.

All attendants will resume accruing seniority as of June 29, the date of a court order reinstating seniority and benefits for those who stayed out of work. Seniority for the period of May 17, when the pilots' strike began, through June 28 will be arbitrated.

Separately, the AFA announced it had tentatively agreed on a new contract covering some 2,200 members employed by USAir. Details of the agreement were withheld pending a ratification vote by USAir members in August.

## Official U.S. jobless rate remains stuck at 7.3%

**Continued from Page 1**

influx of young workers during the summer will show a different pattern.

Even though the overall jobless rate remained unchanged last month, there were some significant ups and downs among certain labor groups. The unemployment rate for adult men went up from 6.1 to 6.5 percent over the month while the rate for teenagers went down from 18.9 to 18.3 percent, and the rate for blacks dropped from 15.6 to 14 percent. The rate for adult women fell two-tenths of 1 percent to 6.7 percent.

Also, there were declines in both the number of "discouraged" workers—those who have given up looking for work be cause they expect there is none—and the number of persons working part-time who would rather be working fulltime but can't find such employment.

# Pilots set up fund to battle union-busting

The Air Line Pilots is setting up a $100 million contingency fund to counter management attacks on the union and provide financial aid to groups that lent support to the union during the recent United Airlines stike.

"This will be more than a strike fund," said ALPA president Henry Duffy. "It will give us the financial clout to further develop and pursue the innovative strategies used in the United strike as a deterrent to other airlines that might be considering a union-busting operation against ALPA. It will give us the resources to fight every assault on our profession, from every quarter, and it will give us the staying power to continue fighting until we win.

## Tougher stand

"The ALPA is now prepared to take a much more aggressive stance against union-busting airline managements."

The ALPA's financial plan, which was authorized by a special meeting of the union's board of directors, will build the fund by raising its dues to 2.35 percent of a members' income, an increase from the present level of 1.35 percent. This increase will raise an additional $20 million each year. The plan is subject to the approval of the union's 34,000 members.

The fund will also be used to support flight attendants and pilot recruits who honored the ALPA's picket lines during the United strike and to continue monthly benefits of $2,400 for each striking Continental Airlines pilot.

The 570 pilots hired by United just before the strike who refused to cross the picket lines would receive monthly benefits of $1,800 "pending resolution of their employment rights."

The Association of Flight Attendants would receive a grant of $500,000 to help its members recover from the strike. The union also said it would establish a separate $600,000 hardship fund for individual attendants. A transfer of $5 million from the fund will pay ALPA's costs of the United strike.

## Labor urges clear stand by House to ban sex bias

**Continued from Page 1**

"speak-out" at Capitol Hill sponsored by the Leadership Conference on Civil Rights and other concerned groups.

Postal Workers President Moe Biller said that in the absence of a strong White House commitment to civil rights, it is up to Congress to "take a stand" and show leadership.

Richard Womack, staff representative in the AFL-CIO Dept. of Civil Rights, said the groups that fought for enactment of anti-discrimination laws must "insist that these laws are carried out." Gains that have been achieved must not be surrendered, he urged.

The "speak-out" program was held on the 21st anniversary of the Civil Rights Act of 1964.




At "speak-out" sponsored by Leadership Conference on Civil Rights, Postal Workers President Moe Biller at microphone, AFL-CIO's Richard Womack at right.

## Ask equal treatment

# Musicians open drive for labor law change

Charleston, W.Va.—The Musicians convention launched a legislative effort to change federal labor law and establish collective bargaining rights for traveling musicians.

The 740 delegates meeting here for the AFM's 86th convention carried home post cards for the local union members to mail to Congress, urging that the Taft-Hartley Act be amended to reduce the time required to become a union member from 30 days to seven days, and to define as an employer any person who buys a musical performance, regardless of whether the performer is an individual or an independent contractor.

Under current law, most traveling musicians are treated as independent contractors and not employees of the persons who buy their music.

AFM President Victor Fuentealba reported to delegates that support in Congress is growing for bills aimed at correcting "the current discrimination against musicians."

"We don't have the rights that other workers have under the law," Fuentealba told delegates. "We are treated as independent contractors. We want to be treated as employees."

AFM member and singer Willie Nelson commented that musicians "are not on the same level" as other workers with respect to Taft-Hartley coverage. They should be, he declared.

"A musician is not a second-class citizen and should be able to get the same treatment a truck driver can get."

Nelson was honored by the union for his support of the AFM's political fund, Tempo, which is used to lobby on issues of concern to musicians. He also performed in the union's first series of public service radio announcements.

The country singer was given a gold membership card by Fuentealba during his concert at the Charleston Civic Center which was attended by the convention delegates.

Rep. Bob Wise (D-W.Va.) urged the delegates to write their senators and congressmen in support of the legislation to amend the Taft-Hartley Act.

### Support sought

West Virginia AFL-CIO President Joseph W. Powell asked the delegates to offer their fraternal support to the unaffiliated Mine Workers who are on strike against the A.T. Massey Coal Co. Some 2,000 UMWA members have been on strike for 10 months against the firm owned by Royal Dutch Shell and the Fluor Corp. The delegates adopted a resolution pledging their full support to the strikers and their families.

Fuentealba was re-elected by acclamation after he was unopposed in the nominating process. Also re-elected were vice presidents Mark Tully Massagli of Las Vegas and J. Alan Wood of Toronto.

Kelly Castleberry, president of Charleston Local 136, was elected to replace retiring Sec.-Treas. J. Martin Emerson.

The delegates also adopted an amendment to the bylaws to relieve some of the financial burden of local unions to pay for the benefits of retirees and life members. Fuentealba told the delegates that the percentage of life members has grown from 12.6 percent in 1976 to 21.8 percent in 1985.

The bylaw change, adopted by a 122,144 to 96,472 weighted vote, limits lifetime memberships to those who have been members for 35 years or who have reached age 70.

The change, recommended by the union's executive board, would mean that beginning next January, honorary or life members would be required to pay the local periodic dues equal at least to the federation per capita, plus 25 percent of the dues and assessments in excess of the per capita, effective Jan. 1, 1986. That would be increased to 50 percent in 1987.



Country-western star Willie Nelson receives gold membership card from his union at the AFM convention. Greeting him are AFM President Victor Fuentealba, left, and the union's secretary-treasurer-elect, Kelly Castleberry.

# ICFTU targets British firm in anti-apartheid campaign

Brussels—The International Confederation of Free Trade Unions accused a British-owned multinational company of paying starvation wages to its black employees in South Africa and launched a pressure campaign to halt the practice.

The ICFTU leveled the charge against the British Tire & Rubber Co. (BTR), saying that its South African subsidiary, SARMCOL, in Natal is paying wages that are "far below the minimum requirements" laid down by the European Economic Community's code of conduct for multinational firms investing in South Africa.

ICFTU Gen. Sec. John Vanderveken said the pitiful wage scale had generated starvation and poor health among the families of BTR's black workers.

Vanderveken cited medical reports made available to the ICFTU indicating that 20 percent of the children of workers at the company's facilities in Natal suffer from malnutrition and barely reach 80 percent of normal weight.

### Honor standards

The ICFTU sent a demand to BTR either to respect international labor standards or cease operations in South Africa.

The labor organization, which represents 82-million workers in 99 countries, also called on its affiliates in countries with BTR subsidiaries to take action in support of the BTR workers in South Africa. These countries include the United States, Canada, West Germany, Australia, Italy, Denmark, Sweden, Norway, France, Switzerland, Belgium, Finland, and India.

The British Trades Union Congress already has responded to the ICFTU request, and has raised the matter with the British government.

BTR is the first multinational targeted by the internationally coordinated effort to do away with South Africa's racist policy of apartheid. The campaign was approved by the ICFTU's executive board at its April meeting in Washington.

Meanwhile, unrest and frustration over white rule of South Africa's black majority ended in new violence this week as police shot and killed seven blacks in the Johannesburg suburb of KwaThema.

Approximately 450 blacks have died as a result of police actions to quell uprisings in South African black townships since last September.

# Federal worker unions challenge job rule changes

Chief Justice Warren E. Burger cleared the way for the Reagan Administration to put into effect controversial new regulations affecting the pay and job rights of federal workers, but government unions are continuing their challenge in both the courts and Congress.

The rules adopted by the Office of Personnel Management would replace the seniority-based system for pay increments and job retention with a performance-based rating. Government worker unions charge that the effect would be to open the way to both political and personal favoritism in the civil service.

A federal appellate court stayed the implementation of the new rules at the request of the Government Employees, pending a full hearing on the merits. But Burger's order lifted the stay, allowing the changes to take place while the court challenge is pending.

Meanwhile, a House-Senate conference committee is considering a supplemental appropriations bill that has a House-passed provision barring the implementation of the new rules during the current fiscal year, which ends Sept. 30. The AFGE is urging the Senate conferees to go along with the House on the issue.

# Salvador courts condemned for army whitewash

The AFL-CIO registered its "complete disgust" with El Salvador's judicial system after a Salvadoran judge ruled there was insufficient evidence to indict an army captain implicated in the 1981 slayings of two staff members of the federation's American Institute for Free Labor Development (AIFLD) and the head of the country's land reform program.

"The court, by this action, has confirmed that army officers are still above the law in El Salvador, despite the efforts of President Jose Napoleon Duarte to reform the corrupt system," AIFLD said in a statement.

The two AIFLD representatives, Mark D. Pearlman and Michael P. Hammer, were gunned down with Jose Rodolfo Viera, the head of the Salvadoran Land Reform Institute, as they sat drinking coffee in a San Salvadoran hotel coffee shop.

Salvadoran Army Capt. Eduardo Avila was among three well placed Salvadorans charged with planning and ordering the murders, which were carried out by two army corporals.

Though the corporals confessed to the killings and involved Avila, under Salvadoran law their testimony is not enough for a conviction.

The case took on new life with the recent introduction of new evidence, including testimony from three witnesses who said Avila had confessed to his part in the deaths.

AIFLD noted that the three witnesses have been repeatedly threatened. In one instance, a relative residing in Washington, D.C., received a telephone threat.

"These Mafia-type actions by the Salvadoran oligarchy of which Avila is a part, their controls of their puppets in the judicial system, and the continuation of the supremacy of army officers over the law sets back the development of democracy in that already beleaguered country," AIFLD said.

The institute, which provides assistance to developing free trade unions in Central and South America, said it is "currently determining our next course of action," and that it might appeal the court decision.

The ruling is the third time that Salvadoran courts have found insufficient cause to jail suspects in the case.

AIFLD noted that Avila is a nephew of Supreme Court Justice Ricardo Avila Moreira.

# *Senate breaks off filibuster by Helms, nears action on South Africa sanctions*

The Senate took up an Administration-opposed bill to levy economic sanctions on South Africa after invoking cloture to break a filibuster led by Sen. Jesse Helms (R-N.C.).

Despite the one-sided 88-8 vote to limit debate on the motion to take up the bill, delaying tactics were still available to foes of the measure.

The labor-backed concept of sanctions to pressure South Africa to abandon its racist apartheid policy has substantial bipartisan support, despite the Reagan Administration's expressed preference for achieving reforms through "friendly persuasion."

If the delaying tactics are overcome, the key issue will be whether the Senate strengthens the bill through floor amendments, as the AFL-CIO urged, or further weakens it. As it came out of the Senate Foreign Relations Committee, the South African sanctions bill was weaker than the version the House passed last month by a 295-127 vote.

Both bills would ban new U.S. bank loans to the South African government, halt exports of nuclear technology, and curb sales of computer products and technology that could be used in furtherance of racist practices.

But the House would immediately ban new investments by U.S. firms doing business with Africa—unless the President and Congress agreed that the South African government was making progress toward ending apartheid. The Senate would merely hold open the threat of tougher sanctions if South Africa continues on its present course. Also, the House bill would ban the importation of Krugerrand gold coins into the United States, while the Senate version would put off that decision for 18 months.

### Strengthening urged

In letters to senators, AFL-CIO Legislative Director Ray Denison urged approval of strengthening amendments to insert provisions of the House bill and asked rejection of an amendment that would pre-empt, and thus nullify, state and local government actions barring investments of public funds in corporations that invest in South Africa.

Denison noted the AFL-CIO's ties with black unions in South Africa and stressed their support of disinvestment as a weapon against apartheid.

He urged the Senate to vote bipartisan approval of the strongest possible bill.

The House, meanwhile, continued to work on a foreign aid bill. But off the floor of the House and Senate, negotiators were trying to hammer out a compromise budget resolution—with the White House as a third party to the negotiations.

A meeting of House and Senate leaders from both parties with President Reagan produced what was referred to as the "framework" for an agreement. The Administration and Senate Republicans were to drop their effort to deny social security recipients a cost-of-living adjustment, and the House would prevail on a freeze of military spending for the fiscal year starting Oct. 1. In return, Democrats would go most of the way with the Senate version in allowing higher military spending in future years.

But the big battles—still unsettled when the AFL-CIO News went to press—were over the further slashes in domestic programs demanded by President Reagan and the Senate leadership.

# Labor Dept. sees new job frontiers for women

American women will make significant gains in the labor force and will move into traditionally male occupations and industries, but they will require greater education and job training to meet the demands of a changing labor market.

That's the conclusion of a report prepared by the Women's Bureau of the Labor Dept. for the upcoming UN conference on women.

The report, titled "The United Nations Decade for Women, 1976-85," reviews the job-related status of women over the past 10 years and projects women's participation in the labor force by industry and occupation. It also examines problems faced by both very young and older workers and predicts "further fine-tuning of employment-related laws that significantly affect women. The report also calls for the identification of "unlawful discrimination in job classification and wage setting" and increased attention to safety and health issues.

Cynthia McCaughan, AFL-CIO coordinator for women's activities said the report demonstrates that the labor movement must redouble its efforts to achieve pay equity, establish child care programs and organize women workers.

The Women's Bureau study estimates that by the end of the 1990s, more than 60 percent of all working age women and 80 percent of all women between ages 25 and 54 will be employed. Currently, about 54 percent of all women 16 and older and 70 percent of those 25-54 are in the labor force.

## Need for women

The service sector will provide more than three-quarters of all new jobs during the next decade, and women are expected to fill the greater number of jobs in this area, according to the Bureau of Labor Statistics. Industries such as medical care, business and professional services and recreation will provide almost a fourth of total employment by 1995 with the bulk of new jobs held by women, the BLS estimates.

However, those service occupations expected to provide the greatest number of new jobs—such as cashiers, building custodians, secretaries, nurses and teachers—already employ more women than men and are relatively low paying.

The Women's Bureau points out that women are not well represented at the higher levels in computer and data processing services and that women are still a minority of protective service workers, a higher paying occupation.

The report emphasizes that while women will gain from the continued growth of service jobs, they also "form substantial proportions of the workforce" in some declining industries, including textiles, apparel and electronics manufacturing.

The continued decline of these industries and increasing requirements for more complex skills make job retraining and education a critical issue, the report stresses. It cites estimates that between 50 and 80 percent of the present labor force will need retraining over the next few years because of changes in the structure of industry and the wide use of new methods and technologies.

The report points out that women clerical and office workers are especially vulnerable "to the changes resulting from the new office technology" but generally receive only minimal skill retraining in a field "targeted for the rapid introduction of new equipment."

## More educated

The Women's Bureau predicts that "the labor force of the future will be even more highly educated than it is today," and "some occupations that formerly did not require college degrees increasingly will employ more highly educated workers."

The report recommends special training and counseling for older women joining the labor force and stresses that "employment and training policies and programs for youth who have not attained basic skills will be even more important with the skill requirements of new jobs."




Seattle residents flock to city's first "Health Fair for Workers," sponsored by the Washington State AFL-CIO. More than two dozen labor and health groups participated.

# Unions spotlight job hazards at 'health fair for workers'

Seattle—Workers worried about health and safety hazards on the job had their questions answered during a three-day health fair, sponsored by the Washington State AFL-CIO.

"The Washington Health Fair for Workers" was billed as a way to promote good health for Washington's workers by making workers aware of potential workplace hazards and safety practices on the job.

Representatives of some two dozen labor and health groups staffed information booths and answered questions on asbestos hazards, wrist injuries, toxic substances and other safety and health problems.

The Service Employees district council exhibited a properly set-up video display terminal, while the Northwest Laborers Trust demonstrated the safest way to remove asbestos.

The Hanford Metal Trades Council displayed an elaborate exhibit on radiation safety measures, and an exhibit by Food & Commerical Workers Local 1105 featured a properly designed grocery checkout counter.

Area health care professionals offered free medical screenings including weight, vision, blood pressure, dental, oral and skin cancer checks. Also available were blood chemistry tests to indicate diabetes, kidney and liver disfunction, bone and joint disease or other infections, plus testing for coronary risk.

The screenings were provided as part of the National Health Screening Council's series of regional health fairs.

State AFL-CIO President Marvin L. Williams said the fair demonstrated to the public that organized labor is concerned with the health and safety of all workers.

"It's great to see our unions exhibit in a busy, public space like this with such positive information," he added.

Members of the Firefighters, Machinists, Carpenters, Painters, Oil, Chemical & Atomic Workers, Hospital & Health Care Workers and Office Employees also were on hand to answer questions and offer suggestions for safer working conditions.

## Extended jobless aid runs out in 48th state

Idaho, the last of the 48 continental states paying federal extended benefits to jobless workers, became ineligible to do so as of June 2.

That means only Alaska and Puerto Rico now pay the 13 weeks of additional unemployment compensation benefits for the jobless.

To be eligible to pay the extended benefits, a state must have an insured unemployment rate (IUR) of at least 5 percent no matter what its overall jobless rate might be. Idaho's overall unemployment rate as of April was 8.9 percent, considerably higher than the national rate of 7.3 percent.

Alaska's unemployment rate in April was 10 percent, Puerto Rico's 23 percent.

As of May, only 9.4 percent of some 1.3 million Americans out of work for 27 weeks or longer were receiving benefits under the unemployment compensation system.

# Idaho unions approve funds to fight 'right-to-work' law

Boise, Idaho—The Idaho AFL-CIO convention moved to build a defense fund to finance the state federation's fight to over turn the "right-to-work" law passed by the 1985 state legislature.

The resolution passed by the convention's 120 delegates called on affiliated local unions to contribute at least $5 per member per month through November 1986 for the fund. It said the legal fees involved in battling the law in court and at the ballot box are more than the State AFL-CIO can absorb alone.

The law, enacted over the veto of Gov. John Evans (D), has so far been blocked by the state federation from taking effect. The Idaho legislature had sought to impose the law immediately after passage on the grounds that an emergency existed.

The 4th District Court delayed implementation of the law pending a vote on the issue on the November 1986 ballot. That action has been appealed to the state Supreme Court by the RTW supporters.

The delegates unanimously rejected a bid to address the convention by Terry McKnight, co-chairman of the Idaho Freedom to Work Committee and a former member of the Electrical Workers. State AFL-CIO President Jim Kerns called the RTW group "carpetbaggers and fear peddlers" and said the next 18 months will test the solidarity of Idaho union members.

## Galvanizing effect

Sec.-Treas. Dennis Hall predicted the battle will serve to unify organized labor in the state to defeat "this ugly legislation. And in the process, we're going to thump down those legislators who rammed it down our throats."

Hall and Vice President Ed Johnson were re-elected to two-year terms as were five executive board members. Jerry Klemm of Paperworkers Local 712 in Lewiston and John Carlson of Machinists Local 1933 in Pocatello were elected to their first terms on the board.

The three-day annual convention also made passage of a public employee collective bargaining law a top priority, declaring that "Idaho should not be the Poland of the Northwest."

Among other resolutions were measures urging limits on lumber imports from Canada and reaffirming the state federation's fight against the export of logs rather than finished wood products.

## Two workshops

A pair of workshops highlighted the activities of the delegates. One focused on organizing and the other previewed the national pilot "One-on-One" program beginning in Idaho, Georgia and Missouri to teach union activists to communicate better with rank-and-file workers.

Frank Drozak, president of the Seafarers and of the AFL-CIO Maritime Trades Dept., told delegates there is a need for farmers and maritime unions to work together in pressing for a revitalized merchant marine fleet.

Among the other speakers were Washington State AFL-CIO President Marvin Williams, Region VI COPE Director Jane Adams, California AFL-CIO President Al Gruhn, AFL-CIO Region VI Assistant Director Ed Collins, National Rep. Earl McDavid of the Union Label & Service Trades Dept., Vice President Don Hofer of the Food & Commercial Workers Northwest division, and Field Rep. Grace Carroll of Rocky Mountain Labor School.

# OSHA inspection practices denounced as 'inadequate'

The Occupational Safety & Health Adminstration's newly-released inspection data show the agency is continuing at the same "inadequate level of inspections" as it has for the past several years, the AFL-CIO said.

Margaret Seminario, associate director of the Dept. of Occupational Safety, Health & Social Security, pointed out that more than ll percent of OSHA's 35,336 inspections during the first half of fiscal 1985 were "records checks."

Under this system, OSHA inspectors merely examine a firm's health and safety records. If the data meets the agency's criteria for a "safe" workplace, no walk-around inspection is made.

Seminario noted that a Chicago worker died last year from a lethal dose of cyanide at a silver-recovery plant shortly after an OSHA records check. OSHA found the plant operating safely, even though more than two-thirds of its workers regularly experienced symptoms of cyanide poisoning.

Earlier this month, three executives of the firm were convicted of murder for the worker's death.

OSHA said it would conduct 71,000 inspections in fiscal 1985, about the same as last year. Of that number, some 8,000 would be records checks.

In the first half of fiscal 1985, the agency conducted 30,029 safety inspections and 5,307 health inspections. These figures include the records checks.

The construction industry—targeted by OSHA as a high-risk sector—accounted for 19,204 of the 35,336 inspections.

# D.C. teachers sticking with AFT

Teachers in the nation's capital decisively voted to retain the American Federation of Teachers as their bargaining agent, handing the unaffiliated National Education Association its third major setback within the past year.

After a hard-fought campaign, Washington teachers voted to stay with the AFT by a 3 to 1 margin. The union has represented them since 1967.

The District of Columbia win follows on the heels of a June 25 AFT landslide in Detroit and a similar victory last November in Baltimore.

AFT also notched a win against the NEA in May, when teachers in Anderson, Calif., voted to drop the California Teachers Association as their collective bargaining representative and elected to go with the AFT instead.

# EDITORIALS

## A Festering Wound

TO MOST of the news media, the nation's unemployment toll is a predictable once-a-month story. For the fifth month in a row, the nation's civilian jobless rate as measured by the Bureau of Labor Statistics has been stuck at 7.3 percent.

The unemployed are people, however, and not statistics. There are more than 8,400,000 of them, even without counting all those who gave up a seemingly futile job search and those working part-time because there aren't enough full-time jobs.

Nor is the economic stagnation that has stranded such an army of unemployed just of five months' duration. There has been little measurable change for a year. The jobless rate was 7.1 percent in June of 1984. Since last fall, it has fluctuated narrowly between 7.2 and 7.4 percent.

The real cause for concern is that neither Congress nor the White House appears greatly concerned, even though the linkage to the nation's other economic problems is painfully obvious.

As just one example, some 750 jobs in Shreveport, La., will be wiped out by the decision of AT&T to move the production of residential telephones to Singapore.

The unmeasureable cost is the human suffering. But there are also costs that can be tallied.

INEVITABLY, job losses result in lower tax revenues for federal, state and local governments because people without jobs don't pay taxes on non-existent income or on purchases they can no longer afford to make.

At the same time, the demand for government assistance programs—whether in food stamps or Medicaid—will rise, adding to the cost of government.

But what if government policies and programs were designed to get people back to work and to prevent the destruction of jobs? Then we would have less drain on government resources and more revenue for the cost of government and to reduce deficits.

Sure, economic solutions aren't quite that simple and there is no single law or Executive Order that can assure full employment. But there are a host of actions that both Congress and the President should be taking to bring us closer to that goal.

When left to fester, economic wounds don't heal themselves. They get worse.

## The Line-Item Veto Ploy

PRESIDENT Reagan's latest demonstration of buck-passing on responsibility for the federal budget deficit is his proposal that Congress give him line-item veto authority. That would allow him to veto sections of an appropriations bill while leaving other provisions intact.

So what's wrong with that? Plenty.

To start with, it would allow the President to dictate budget and spending priorities to Congress—even to the stage of eliminating entire programs. Present law allows the President to avoid spending part or all of an appropriation under a procedure requiring only simple majority approval from the House and Senate.

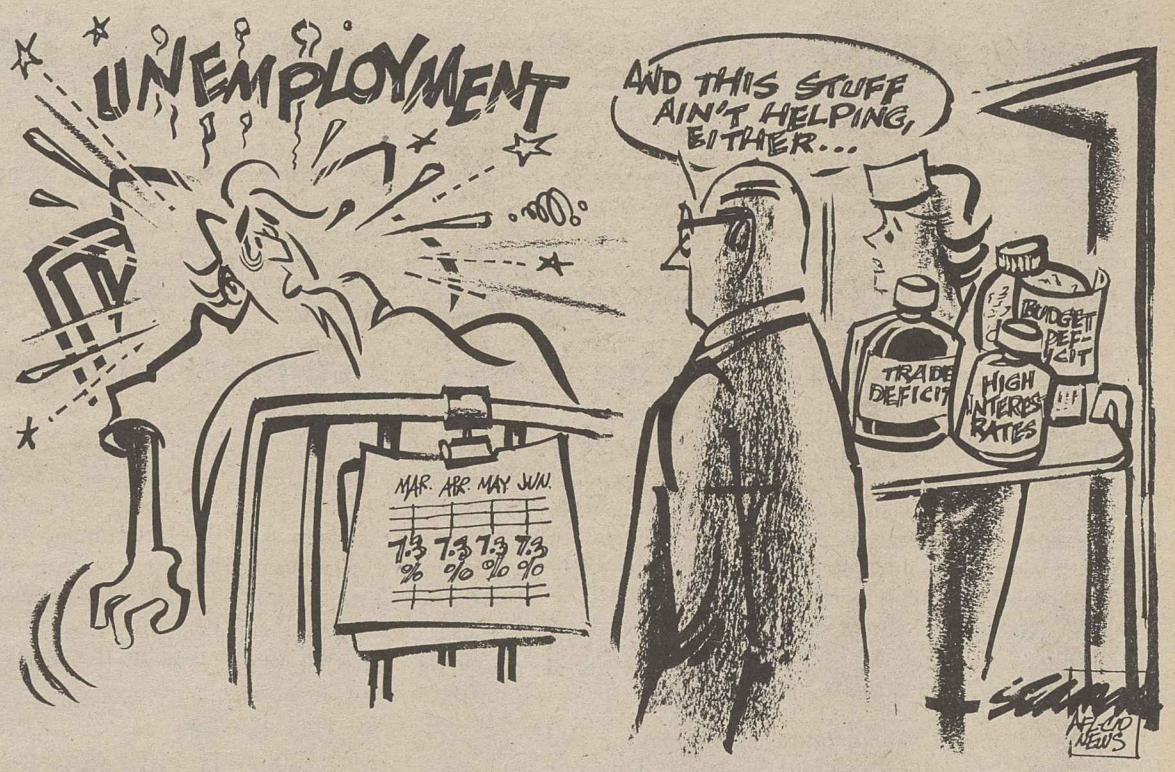
But the line-item veto bill the Senate will soon take up would enable the President to force his will on large segments of appropriations bills without vetoing the entire measure. Entire programs that a majority of Congress supports could be wiped out unless two-thirds of the House and two-thirds of the Senate voted to override the veto.

The AFL-CIO Executive Council last May warned of the strong likelihood that the President, "particularly this incumbent," would use such selective veto power "as a weapon of political punishment" or to force an end to programs he considered "ideologically distasteful."

Is this an overstatement? Not according to the testimony of the departing director of the Office of Management & Budget.

At a recent conference sponsored by the conservative American Enterprise Institute, David Stockman was asked about the likely effect of line-item veto authority on the federal deficit.

Stockman, fully justifying his reputation for candor, responded, "Marginal, if at all." The line-item veto, he explained "is about political power and political control."




### Washington Window

# Asbestos risk in schools mounts with EPA delay

**By Press Associates, Inc.**

From the 1940s to the 1970s, asbestos was considered just about the greatest building material since the discovery of brick because of its fireproofing, electrical, thermal and acoustical insulating properties.

Asbestos cement was used for walls, ceilings and storm drainage pipes. Asbestos-containing materials were sprayed and plastered onto ceilings, walls, and structural supports. Asbestos jackets were wrapped around boilers, pipes and ducts.

Consequently, more than 30,000 schools housing 15 million students and over 1 million employees contain asbestos. Some 700,000 other public and commercial buildings contain asbestos that is now deteriorating.

All it takes to send a cascade of microscopic asbestos fibers through the air is a basketball hitting a gym wall, or a custodian moving ceiling panels during routine maintenance.

Maybe a child playing basketball in the school system gym will be lucky. Maybe he or she won't inhale a single asbestos fiber, because that's all it takes to cause lung or other cancers 20 to 40 years after the fiber lodges in the body.

But how many parents encourage their children to play Russian roulette?

For school and building custodians, the risk is even greater, their higher exposure levels not only increase the cancer risk for them, but also the risk of the lung disease asbestosis.

In 1979, the U.S. Environmental Protection Agency promised to take action against hazards from flaking asbestos in schools.

Since then, the EPA has required schools to inspect for asbestos hazards and notify parents and employees of inspection results. But it has not required schools to get rid of asbestos hazards nor established required procedures for abatement.

Consequently, as the AFL-CIO Service Employees and the National Parent-Teacher Association recently told a House panel, improper asbestos abatement actions actually may be increasing risks.

A poll of regional EPA officials estimated that about 75 percent of asbestos abatement has been done improperly. Testimony from a New York PTA vice president demonstrated why.

Sheila Cohen said that her Baldwin school district made an early commitment to get rid of asbestos hazards and spent several hundred thousand dollars to clean it up. Private contractors were brought in to do the work so school employees were not at risk.

"The contractors had to be monitored, because the contractor arrived at one of the schools never having filed the necessary papers with the EPA. They were made to leave and file the papers; they said, 'nobody files,'" Cohen reported.

"Our people had an uphill fight; very little help from federal or state agencies. All the agencies seemed to be waiting for somebody else to write up some specific rule so they could say what schools ought to do: 'this is the minimum standard required of a school district' or 'this is the standard; this is an acceptable level of asbestos.'"

### Small steps

During the last year, the EPA has taken some steps to provide technical assistance and develop model contractor certification programs for states.

These programs are praiseworthy, as is the EPA's decision to issue a protection rule for asbestos abatement workers not covered by the Occupational Safety & Health Administration's asbestos exposure standard or by state OSHA plans.

An EPA official told the House panel that he changed his mind about issuing asbestos cleanup rules because he thought current programs would provide more immediate help to school districts.

But reports from parents, teachers and school employees nationwide during the EPA's hearings on asbestos last year, and continuing reports such as Cohen's, contradict this excuse. A federal standard on asbestos cleanup is urgently needed, and the EPA knows it.

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# MEMO FROM COPE

## Nearly a whole page of ODDS 'N ENDS because that's just about all there is these days (it's summertime . . . big news takes a holiday)

**REAGAN MEANS BIG BUCKS** for Republicans running for U.S. Senate in 1986. President spoke at fund-raisers in four states for incumbent GOP senators in recent weeks. In each, the incumbent's treasury got a windfall. According to GOP sources, Sen. Jeremiah Denton benefitted by $578,000 in Alabama, Sen. Paula Hawkins (Fla.) by $925,000, Sen. Mack Mattingly (Ga.) by $550,000 and Sen. Don Nickles (Okla.) by $500,000.

**ADD NEW NAME** to long list of possible and actual candidates for President in 1988. This one seemingly off the wall. It's Rev. Pat Robertson, Virginia TV evangelist whose dad was U.S. Sen. Willis Robertson. His telecasts reach millions; he could get funding readily. Most important, some of the key right wing leaders view his potential seriously. Among them, Richard Viguerie, who commented Robertson "has an awful lot of support out there" and who claimed a serious candidacy by Robertson, either as GOP or independent nominee, would "do more to move the country to the right in a permanent way than anyone else on the political scene." Howard Phillips, head of Conservative Caucus, says he's encouraging Robertson and sees wide support for him. Robertson heads Christian Broadcasting Network which claims to reach almost 29 million homes. He conducts 700 Club TV program which reaches 12 million homes.

**A LITTLE MUSCLE** is what GOP applies to the corporate PAC world to dry up its contributions to Democrats. House GOP Policy Committee studies 25 races from 1984 won by Democrats with 52 percent or less of total vote, gets annoyed by evidence of business PAC funding for Dems, tells PACs in letter "we Republicans need to remind our friends in the PAC community that we are determined to become the majority party in the House of Representatives and that we do not look kindly on organizations that help the Democrats perpetuate their majority." What they'll do to these PACs on which they "do not look kindly" they don't say.

**NOT ENOUGH** newsworthy comments were expressed by horde of GOP 1988 presidential hopefuls who attended party's Midwest Leadership Conference recently to get press coverage of any consequence. One good line, however, emerged from it. Senate Majority Leader Bob Dole (Kans.), one of 1988 GOP prospects, pointed out another, Vice President Bush, is trying to develop a "macho image" by spending time on President Reagan's ranch "chopping horses and riding wood."

**PUBLIC CATCHING ON** to fact that present trade arrangements cost a lot of American jobs and pose present and long-term threat to stability and strength of our economy. Polls show most Americans want a change, including restrictions on imports even if, according to New York Times survey, "it means less choice among products they can buy." Support for changes in trade policies even comes from rank-and-file GOP, at variance on this with Reagan Administration. On major trade issues like content law, import restrictions, tariffs, Republicans in only slightly smaller percentages than Democrats seek new paths to change lopsided trade relationships more in favor of U.S. and American workers.

**HOLLY COORS,** wife of union-busting brewer Joe Coors, says she's thinking about running for governor of Colorado in 1986. A GOP activist and close friend of President and Mrs. Reagan, her strength as a candidate would be instant name recognition. The family money wouldn't hurt, either. Of that, there's plenty, as Coors family huge contributions to right wing groups attest. U.S. Rep. Hank Brown had been considered front-runner for the GOP nomination next year, but decided to seek another House term.

**INCOME REDISTRIBUTION** (upward) strong under Reagan leadership. Study by U.S. House committee shows families in top 20 percent income boosted their share of total after-tax income in 1983 to 42 percent, compared to 40.6 percent in 1980. *Lowest* fifth of households went up, but not as much—from 4.7 percent to 4.9. Hardest hit were three groups in middle-class range, in effect the middle 60 percent which respectively dropped—from high to low grouping—from 25.1 to 24.8, 17.9 to 17.3, 11.6 to 11.1. The shift in income represents $3,320 in cash to families in the top five percent range.

**CAMPAIGN SPENDING** by state legislative candidates in California broke all records in 1984, state's political practices commission reports—despite fact there were few really competitive contests. Candidates for 80 Assembly and 20 State Senate seats spent more than $24.1 million. Not only that, in aggregate candidates had more than $6 million left unspent. Outlay on ballot issues was no small change, either. For property tax initiative, more than $10.4 million was shelled out.

**DOES REAGAN BELIEVE** what Reagan says he believes, asks 1984 retiree, former GOP Rep. Barber Conable, one of the nation's foremost tax experts after years on House Ways and Means. He takes Reagan tax program to task saying it "strikes a terrible blow" at ability of state and local governments to undertake and pay for programs themselves. It does this by ending deductibility of state and local taxes, making it politically more difficult for these sources to raise needed revenue. Conable points out Reagan has spent his political life telling everyone we've got to get the *federal* government out of the way (practically out of business) and let state and local governments solve the problems. Conable puts it bluntly: "The question is, do you really believe that state and local governments should do any problem-solving, or don't you? It takes money."

### Same Song . . . 20 Years Later

*"Have we the courage and the will to face up to the immorality and discrimination of the progressive surtax, and demand a return to traditional proportionate taxation?"*

**The question is a statement: It says that progressive taxation—that is, higher tax rates for higher incomes—is immoral and should be scrapped. It says instead, you and the Rockefellers and the Mellons and the Coors should be taxed at precisely the same rate.**

**Who said it? Who condemned the idea of progressive taxation? Who thinks it's immoral for a big earner to be taxed at a higher rate than a lower or moderate earner?**

**Ronald Reagan said it. He said it on national television Oct. 27, 1964, in a speech boosting Barry Goldwater's presidential candidacy.**

**That's more than 20 years ago. He's still at it. Today, Ronald Reagan is trying to inch the country closer to "proportionate" and further from "progressive" taxation. His new tax plan would shrink the top rate—that paid by the highest income groups—down to 35 percent from its current 50.**

**What isn't being mentioned in the selling of the Reagan plan is the fact he already slashed the top rate in the 1981 tax program from 70 percent for highest income groups.**

**So, if he succeeds now, he will have cut the top rate in half and changed the rate for middle-range families hardly at all.**

**This is the "fair" tax plan he's promoting—fair just like he wanted more than 20 years ago.**

**RIGHTIST PACS** step up their activity in state-level issues and contests. For one thing, they have national organization of right-wing state legislators working to elect more of their own to office everywhere. It's the American Legislative Exchange Council (ALEC) which has formed its own PAC and earmarks $200,000 for 1986 state elections. On issues, right-wingers attempt to block state pension fund divestiture of investments in South Africa and raise hob over any move toward pay equity legislation. But ALEC agenda includes much more: tax revolt measures, balanced budget resolutions, zero government growth to prevent increase in number of state employees, curb on state-funded economic development. It also works with right-to-work-for-less committee and similar groups in opposing union protections and union-sponsored legislation like plant closing laws.

**ABSOLUTELY NO TRUTH** to rumor David Stockman resigned because he's got another interview coming out in Atlantic Monthly. No truth, either, that he told President in letter of resignation as budget director his "reputation can no longer tolerate close association with an administration that sets more records for deficits than Edwin Moses sets for high hurdles."

**ALSO FALSE ARE REPORTS** administration, in letter accepting Stockman resignation, accused him of "over-zealous budget-cutting worthy of a Jesse Helms or Newt Gingrich that simply does not reflect the deep and continuing concern this administration feels for the needy, the elderly and the afflicted."

## Mail, Election Day Voter Sign-Up Urged

The AFL-CIO urged House members to cosponsor and actively support legislation that would make it easier for Americans to register to vote in federal elections.

Legislative Director Ray Denison said a pair of bills introduced by Rep. John Conyers, Jr. (D-Mich), would substantially reduce barriers to registration.

"Every election year, millions of citizens are unable to vote because they are not registered," Denison wrote House members.

One Conyers bill would establish a post card registration system for federal elections, so that persons could qualify to vote by mail, instead of having to come to a registration center during specified hours. Twenty-two states and the District of Columbia already have registration by mail, Denison noted.

A companion bill would allow registration at the polls on Election Day. Supporting this concept, Denison pointed out that interest in elections normally does not peak until the final days of a campaign, when registration books are closed in nearly all states.

But in the four states that do allow registration on Election Day, Denison stressed, voter participation in elections "has been significantly higher than the rest of the country without any evidence of fraud."

The AFL-CIO supports making voter registration easier, Denison said, "because the essence of democracy is the participation of the greatest number of citizens in the process of decision-making."

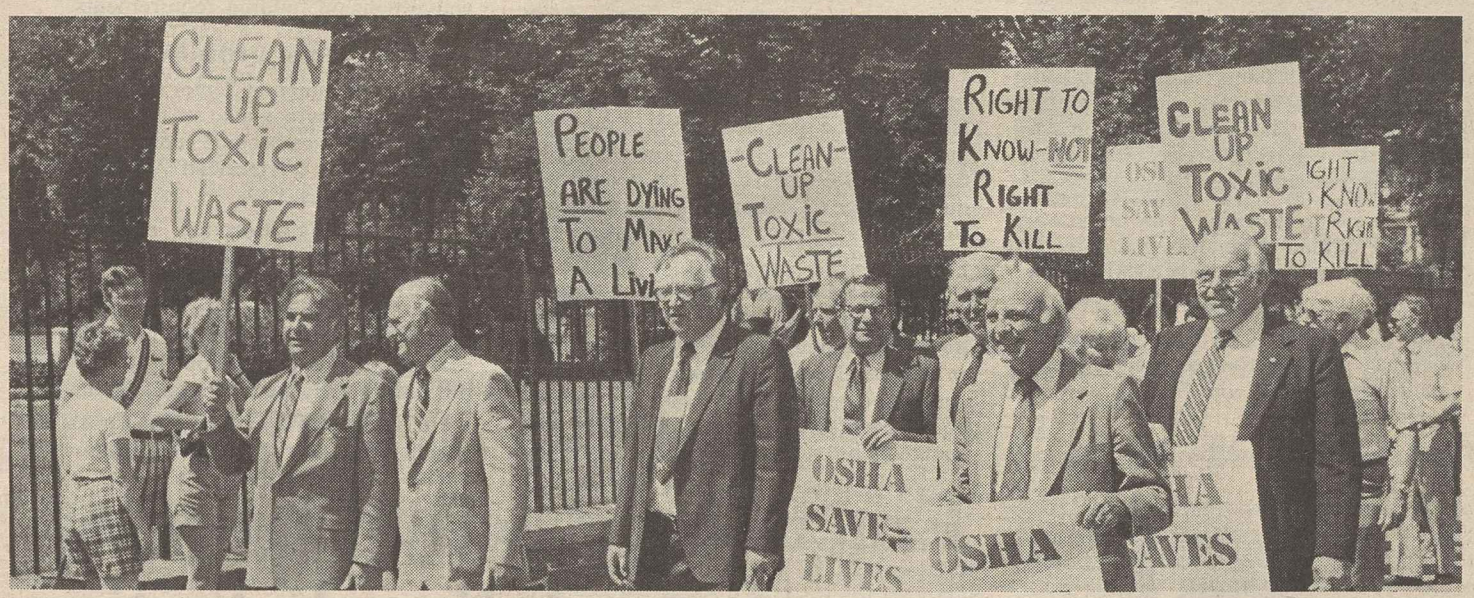
AFL-CIO news

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JULY 20, 1985

**LEGISLATIVE ALERT!**

PAGE 8

# Economy continues to falter




## Protesting safety cutbacks

Reagan Administration policies curbing job safety and health and environmental protections are protested during the OSHA/Environmental Network's third annual convention. Leading the march in front of the White House are Chemical Workers President Frank D. Martino, Oil, Chemical & Atomic Workers President Joseph M. Misbrener, Furniture Workers Sec.-Treas. Lowell Daily, AFL-CIO Industrial Union Dept. President Howard D. Samuel, the former Auto Workers President Douglas A. Fraser, Allied Industrial Workers President Dominick D'Ambrosio and United Rubber Workers President Milan Stone. (Story, Page 3.)

## *Labor welcomes new bill to tackle trade imbalance*

Leading Democrats in Congress unveiled a new proposal aimed at reducing a trade deficit that has cost the United States millions of jobs and twisted the economy out of shape.

It would set targets and timetables for restoring balance between U.S. imports and exports, with tough tariff sanctions if other nations fail to comply. The targeted countries are those that have erected unfair trade barriers to keep out U.S. goods.

AFL-CIO Legislative Director Ray Denison welcomed the introduction of the proposed Trade Emergency Act as an acknowledgement by Congress of the gravity of the crisis.

If Congress really pursues the legislation, and doesn't just wave it as a threat, "it could be the beginning of a turnaround to America's badly mauled industrial base," Denison said.

House sponsors of the new bill include Ways & Means Committee Chairman Dan Rostenkowski (Ill.) and Democratic Caucus Chairman Richard A. Gephardt (Mo.). The chief Senate sponsor is Lloyd Bentsen (Tex.), ranking Democrat on the International Trade subcommittee.

There are various trigger provisions in the bill. But if the legislation were now in effect, Japan, Brazil, Taiwan and South Korea would have to cut their trade surpluses with the United States by a minimum of 5 percent over the next year. Otherwise, they would face a 25 percent additional tariff on all products. For five years thereafter, the surplus would have to be lowered 10 percent a year to avoid the penalty.

In practice, the first-year reduction would have to be substantially more since the base level is the trade surplus for 1984. Japan's trade surplus was $37 million last year, but is expected to grow to nearly $50 million this year. Thus, a 5 percent reduction from 1984 levels would translate into nearly a 30 percent cut in this year's surplus.

The legislation is aimed at countries that use unfair trade practices to gain a balance-of-trade advantage with the United States and other countries.

### Corrective steps

It would require the U.S. government to bring unfair trade practice charges against offending nations before international trade organizations and to seek remedies that would avoid the need for the tariff penalty.

At a Capitol Hill news conference, Rostenkowski termed the bill a last-ditch effort by "congressional moderates" to devise "a sensible, hard-hitting response to trading partners who have run up excessive surpluses."

Bentsen termed the bill a response to the "apparent paralysis of U.S. trade policy" in the face of a fast deteriorating situation.

The legislation doesn't directly deal with such endangered areas of American production as textiles, apparel, autos and steel, Denison noted, and the AFL-CIO continues to seek specific measures to help these industries. The federation will put forth its views in more detail when hearings are held on the bill. Rostenkowski, whose committee has jurisdiction over trade legislation, said he will schedule hearings after Congress returns from its summer recess in September.

Reagan Administration officials denounced the proposed legislation as "protectionism," but a number of Republicans in Congress were telling reporters they are hearing from their constituents that the time has come to stop the drain of U.S. dollars and jobs.

## Emergency steps asked to remedy dollar distortion

The AFL-CIO renewed its call for emergency action by the President and Congress to bring about an international agreement that will let American goods compete in world markets and restore lost jobs.

The recent drop in the dollar's exchange value after a five-year rise should be welcomed, not deplored, AFL-CIO Research Director Rudy Oswald stressed at House hearings. The exchange rate imbalance has contributed significantly to flooding the U.S. market with imports and making U.S. goods too expensive for other countries to buy, he said.

Oswald urged Congress to direct President Reagan to invoke his emergency powers under the Trade Act to stop the hemorrhage of jobs through a temporary curb on imports.

That should immediately be followed by negotiations with the major trading countries

**Continued on Page 2**

## *Lag in growth adds to threat of recession*

**By James M. Shevis**

New government figures showing a continued slowdown in the economy, with second-quarter growth only about half of what had been predicted, offer "little hope" for the nation's future well-being, the AFL-CIO warned.

"The threat of a recession hangs over the economy," Federation Research Director Rudy Oswald said.

"Without changes in trade policy and without substantially lower interest rates, the economy will continue to founder."

Instead of its preliminary estimate of 3.1 percent a month ago, the Commerce Dept. reported the nation's inflation-adjusted, gross national product grew by only 1.7 percent during the April-June quarter.

Combined with the negligible three-tenths of 1 percent real GNP rise of the first quarter, the latest growth figure meant that economic activity for the entire first half of 1985 was a scant 1 percent.

When compared with the vigorous 8.6-percent GNP growth rate of last year's first half, the slowdown appears dramatic.

Separately, the Federal Reserve Board reported industrial production in June edged up a mere one-tenth of 1 percent, the same as in May and consistent with a year-long pattern of weakness in the manufacturing sector.

### Trade deficit

In releasing the latest growth statistics, the Commerce Dept. placed much of the blame on America's worsening foreign trade deficit. At the same time exports were tapering off, imports were rising.

Exports were off at an annual rate of 12.5 percent in the second quarter, the third quarterly decline in a row. Imports, on the other hand, grew at an annual rate of 1.4 percent after rising at the gigantic rate of 32.3 percent in the first quarter.

The Reagan Administration had projected a 3.9-percent growth in the economy for all of 1985. To reach that goal, real GNP—the total output of all goods and services—would have to grow in the second half by 6.9 per-

**Continued on Page 6**

## All-time dismal record

**The percentage of jobless workers receiving unemployment insurance benefits dropped to an all-time low of 26.9 percent last month, the Center on Budget & Policy Priorities reported.**

**Of the 8,753,000 Americans out of work and actively seeking jobs in June, only 2,355,000 were drawing unemployment benefits. That left nearly 6.4 million jobless not being helped—a larger number than at the height of the recession. In late 1982, when the jobless rate was 10.7 percent compared with the current 7.3 percent level, the number of unemployed not getting benefits was 400,000 fewer.**

**The center, which is a non-profit research organization, noted the phaseout of the Federal Supplemental Compensation program for long-term unemployed and the virtual elimination of the federal-state extended benefits program. In addition to those who have exhausted their benefits without finding jobs, the ranks of the unemployed include persons not eligible for benefits, such as those looking for a first job or re-entering the labor market.**

**Bureau of Labor Statistics data for June, which were available only for the 11 largest states, found the percentage of unemployed receiving benefits ranging from a low of about 15 percent in Texas and Florida to a high of 45.7 percent in Massachusetts, 39.3 percent in New Jersey and 37.3 percent in California.**

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7/20/85

# *Unions seek strengthening of pension insurance*

Unions representing millions of workers covered by single-employer pension plans warned Congress that the federal pension plan insurance program will be jeopardized unless premiums are substantially raised.

The present $2.60-a-year premium per plan participant dates from 1974, when the pension insurance legislation went into effect. But past requests of the Pension Benefit Guaranty Corp. for a premium increase for single-employer plans have been sidetracked by Congress and the deficit has grown to more than $460 million.

A premium rise, preferably to $8.50 a year, should be the top legislative priority, Industrial Union Dept. Research Director Richard Prosten urged. Then, he said, Congress should follow through with needed reforms to prevent employers from evading their obligations and to better protect workers from loss of promised benefits.

Union-supported legislation to raise the premium and strengthen worker protections has been introduced by Chairman William L. Clay (D-Mo.) and ranking minority member Marge Roukema (R-N.J.) of the House Labor-Management Relations Subcommittee.

Testimony on behalf of Steelworkers President Lynn R. Williams, presented by employee benefits counsel Howard Kline, cited the urgency of the problem.

"Employers do go out of business, underfunded pension programs do terminate, and retirees and their families stand to lose all or nearly all of their retirement benefits but for the protections afforded by the PBGC's single-employer program," the union stressed.

## Threat to plan

The Steelworkers' testimony noted the threat to the program's solvency if even a few large employers go under. Just now, the union said, it is striving to avoid termination of pension plans of the Wheeling-Pittsburgh Steel Corp., which has been under bankruptcy law protection since April. The plans cover 10,000 retirees and nearly 10,000 active employees.

"If we are unsuccessful," the union warned, "the unfunded benefits guaranteed by the PBGC would total nearly $350 million."

Auto Workers Associate General Counsel Alan V. Reuther cited International Harvester as another company in serious financial difficulties with "large unfunded pension liabilities."

Reuther noted that the PBGC has been seeking a premium increase for the past three years and he warned that failure to deal with the problem now will make a remedy much more difficult in the future. If the deficit is allowed to mount further, he warned, "there will inevitably be demands to cut back on the protections" for beneficiaries.

Two UAW members affected by pension terminations following partial shutdowns by corporations that were otherwise profitable testified to the limits on existing pension protections, even with the government insurance program.

Earlie Putnam, Jr., who took an early retirement in 1981 after 31 years with Federal Forge in Lansing, Mich., had his pension benefits cut back after the company terminated the plan to the level of the PBGC guarantee. In his case, that meant a reduction from $897 to $626. The benefit he is due after age 62, when he would be eligible for social security, will be reduced from $523 to $365.

Comparable reductions were cited by Mary Belcher, who worked for 32 years at the Lear Siegler Automotive Division plant in Detroit. Despite the pension terminations, she noted, the parent company remains highly profitable. One provision of the Clay-Roukema bill would require companies that terminate pension plans to earmark 5 percent of future profits over the next 10 years to pay promised pension benefits not covered by the PBGC guarantee.

From the Air Line Pilots, retirement and insurance director David Vance presented testimony by ALPA President Henry A. Duffy in support of strengthened pension protection. The ALPA said a union that has negotiated retirement benefits should be considered a party to proceedings before the Internal Revenue Service when an employer pleads financial distress and asks the IRS to waive pension funding requirements.

## Seniors back proposal

National Council of Senior Citizens President Jacob Clayman also strongly endorsed the premium increase and benefit protection bills, as did the American Association of Retired Persons.

The Administration has endorsed the PBGC request for a $7.50 premium level, effective this year, and Subcommittee Chairman Clay said the measures are close enough to make speedy action possible. He said his subcommittee hopes to mark up a bill before the August recess of Congress.

He pledged to do "everything possible" to get legislation enacted this year.



At House economic stabilization hearings, Subcommittee Chairman John J. LaFalce (D-N.Y.) and AFL-CIO Research Director Rudy Oswald.

# Emergency action pressed to remedy dollar distortion

**Continued from Page 1**

seeking a better balanced and more stable system of currency exchange, he proposed to the House Subcommittee on Economic Stabilization.

The Trade Act allows the President to restrict imports in order to deal with international payment problems. He may impose a surcharge of up to 15 percent on imported articles for 150 days and establish temporary quotas.

With that breathing spell, Oswald said, negotiations could seek an international remedy to the disruptive effects of currency speculation.

While the dollar has slipped from its 1985 high, Oswald noted that at the end of June, its value in relation to major foreign currencies was 10 percent above the level of a year ago. And it was about 70 percent more than its mid-1980 level.

Keeping pace with the rise in the dollar's exchange rate has been the nation's merchandise trade deficit—from about $25 billion in 1980 to a record $123 billion last year.

Labor's special concern is with the impact on America's workers, Oswald made clear. He said the trade imbalance has cost the United States between 2 million and 3 million jobs, thwarting the nation's recovery from recession.

## Soaring dollar

Oswald linked last year's record trade deficit to the fact that the dollar's exchange rate had risen 58 percent above the average value for 10 other major currencies since 1980.

Just to keep the same competitive position American industry had in 1980, he noted, "American workers would need to either be 58 percent more productive or take a 58 percent wage cut."

Workers' pay didn't cause the big trade deficits and pay cuts aren't the solution, Oswald insisted. The big factor in the dollar's overvaluation has been the high interest rates that attracted foreign investment to this country, he said.

Realistically, Oswald stressed, the dollar's imbalance will not be cured overnight and the United States will continue for some time to be at a trade disadvantage. He pointed also to the host of other factors that have allowed imports to take over important sections of the domestic market. The United States cannot and should not have to compete in wages with countries that subsidize exports, lack labor standards and pay workers a tiny fraction of U.S. wages, he said.

## Drain on wages

Trying to match such conditions in order to stay competitive "would require such low wages in the United States as to cause a significant reduction in the standard of living and a contraction of the U.S. economy," Oswald warned.

Without some form of import restrictions, unemployment will continue to grow, he stressed.

Oswald challenged the argument that any curb on imports will hurt consumers through higher prices.

In the marketplace, he noted, imports frequently are priced at the same level as domestic products. But merchandisers prefer them because of higher markups.

The pattern has been that "the foreign producers, exporters, importers and retailers each take as much advantage to increase their mark-up as the market will permit," he noted.

Until the wage gap can be narrowed, Oswald urged, "there should be fair import trade quotas for developing nations" that would allow them a share in the U.S. market but avoid the destruction of American industries.

# Senate approves sanctions to fight South African racism

The Senate joined the House in voting to impose economic sanctions on South Africa, rejecting the Reagan Administration's contention that the United States should rely on "friendly persuasion" to change the racist apartheid system.

There are still important differences between the two bills, but both versions would ban bank loans to the South African government and prohibit the sale of computers for use in the enforcement of the racial segregation system.

But the House version, preferred by the AFL-CIO, would also prohibit new investments by U.S. firms in South Africa and halt the importation of Krugerrand gold coins. The Senate bill would hold open the threat of additional sanctions, but further congressional action would be required to put them into effect.

The Senate rejected all amendments to further weaken the sanctions and passed the bill, 80-12. It was supported by 44 Democrats and 36 Republicans, with 12 Republicans opposed.

A House-Senate conference to resolve differences would normally be the next step, but Senate leaders are trying to avoid a conference and get the House to adopt the milder version intact. Their concern is that a stronger bill would lead to a politically embarassing presidential veto.

The House and Senate appeared even further apart on a budget resolution as the latest round of negotiations broke up in deadlock.

The "framework" of an agreement reached at a White House meeting had appeared to assure that the social security cost-of-living adjustment would remain intact and that military spending would be allowed to rise closer to the Senate-approved level. But Senate Republicans, echoing the Administration position, insisted on cuts that would demolish important government programs and rejected alternatives proposed by the House side.

The House, meanwhile, passed the first of a series of appropriations bills, despite the lack of agreement on budget ceilings. It used the House-passed version of the budget resolution as a spending limit.

For the third year in a row, the House approved a bill to establish an American Conservation Corps to put unemployed teenagers to work rehabilitating public lands. A similar measure was pocket-vetoed by President Reagan after the 98th Congress adjourned. But with budget-cutting on the congressional front burner, the vote for passage was a slim 193-191 and Senate action is unlikely.

# Auto Workers ratify AMC job security pact

Kenosha, Wis.—Members of the Auto Workers at American Motors Corp.'s big assembly and engine plant here and at its smaller parts plant in Milwaukee over whelmingly approved a new 38-month contract, averting a threatened shutdown of the two operations.

The agreement covers nearly 8,000 members of UAW Local 72 in Kenosha and Local 75 in Milwaukee.

The concessionary pact includes adjustments in wages and paid time off as well as changes in work rules. The partly French-owned automaker in return agreed to keep the plants open, and also strengthened job security and retirement programs.

# Actors federation assails apartheid

The Actors & Artistes condemned South Africa's system of apartheid and urged its members to respect the cultural boycott of that country.

Delegates to the nine-union federation's annual meeting reaffirmed its "longstanding policy against the South African system of apartheid, with its legacy of racism, repression and injustice."

The resolution also took issue with "any organization which engages in the publication of a list of performers, the effect of which list would be to cause the named performers to become unemployable."

The United Nations Center Against Apartheid had published a "Register of Entertainers, Actors and Others Who Have Performed in Apartheid South Africa."

Union representatives have met with UN officials to negotiate an end to the publication of the list.

At the 4As biennial convention which preceded the meeting, President Frederick O'Neal, Executive Sec. Sanford I. Wolff and Treas. Harold M. Hoffman were re-elected to new two-year terms.

Also re-elected were Vice Presidents Ken Orsatti, Willard Swire, Gene Boucher and Rod McKuen. David Ross Miller was elected to his first full term as vice president. He had been appointed to that post earlier.

The nine unions that comprise the Actors & Artistes are: Actors' Equity, Musical Artists, Television & Radio Artists, Variety Artists, Screen Actors, Hebrew Actors, Italian Actors, Screen Extras and Puerto Rican Artists & Technicians.

## Bahr succeeds Watts

# CWA delegates pick new leadership team

San Francisco—The Communications Workers picked a new leadership team at the CWA's 47th annual convention.

Elected unanimously to special four-year terms were President Morton Bahr and Sec.-Treas. James B. Booe.

Retiring President Glenn E. Watts and Sec.-Treas. Louis B. Knecht, who stepped down the opening day of the convention with one-year to go on their three-year terms, had led the union since 1974.

The more than 2,000 delegates also elected Barbara J. Easterling as executive vice president, the post that Booe has held since 1980.

For the last 16 years, Bahr has been the CWA vice president heading the union's largest district, covering New York, New Jersey and the New England states and representing 120,000 workers.

In accepting the presidency, Bahr said he will give particular emphasis to:

- Collective bargaining. Negotiations next year with the divested elements of AT&T and the Bell system will be CWA's "most immediate concern," along with its contract covering 34,000 New Jersey state employees that expires next year.

- Organizing the telecommunications industry. Calling IBM "the J.P. Stevens of the international communications industry," Bahr proposed a worldwide, coordinated organizing campaign directed at the multinational conglomerate. "IBM is one of the most anti-union companies in the world, and the employees of MCI and Rolm must be having nightmares about being absorbed into the IBM culture," Bahr said.

### Head-to-head fight

IBM's recently announced intent to acquire up to 30 percent of MCI (the nation's second largest long distance company) will put it in head-to-head competition with AT&T. Bahr said he will propose a conference of union representatives from all the countries where IBM has plants as soon as possible after 1986 bargaining is completed.

- Intensified political involvement. "The moral health of a nation is just as important as its economic health, but I fear our nation's political life is dominated by people who preach about principles rather than living up to them," Bahr said.

- Broader participation of members in the affairs of the CWA. Bahr pledged that the union will provide additional programs and services to encourage the involvement of all members and their families.

- Closing a communications gap between the union and its members. "We must aggressively reach out from every level of our union" to reach the members "on the shop floor, in the office and in their homes," Bahr said.

Bahr, 58, has been with the CWA since 1951 when he led his co-workers at Mackay Radio & Telegraph Co., now a part of ITT World Communications, into the union. He was a staff representive from 1957 to 1969 when he was elected district vice president. He played a major role in bringing 24,000 New York Telephone Co. plant department workers into CWA in 1957, some 5,000 New York City public workers into CWA in 1965, and 34,000 New Jersey state workers into the union in 1979.

Booe, also 58, has been a CWA member since 1945. From 1970 to 1976, he was CWA vice president for District 9 covering California, Washington, Oregon, Nevada, Hawaii and Alaska. He later served as an assistant to Watts before being elected executive vice president. In that post, he directed the union's political efforts and its COPE fund-raising campaigns.

### Three-way race

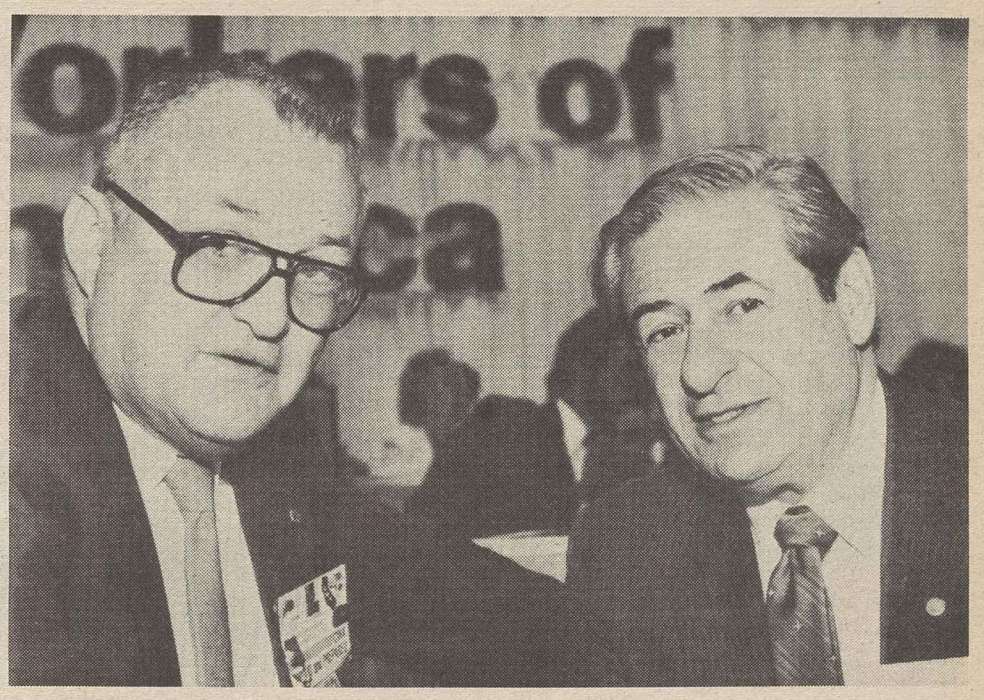
Easterling, 53, an assistant to Watts since 1980, was elected to the executive vice presidency on the second ballot over Dina G. Beaumont and Gloria Shepperson.

Succeeding Bahr as vice president for CWA District 1 is his assistant, Jan D. Pierce, who ran without opposition.

Labor Sec. William E. Brock, in his first appearance before a union convention since he took office, expressed his commitment to "the free collective bargaining process" and pledged to "work to support the growing trend toward labor-management cooperation."

But Brock did not gain the support of the delegates in his endorsement of President Reagan's proposals for a lower minimum wage for teenagers, unfair tax reform and cutbacks in vital federal programs.

Bahr challenged Brock to put needed funds into the Labor Dept.'s OSHA programs, particularly in on-site safety inspections, which have been cut back sharply during the Reagan Administration.



Newly elected CWA officers—President Morton Bahr, right, and Sec.-Treas. James B. Booe—at the union's convention in San Francisco.

# *Congress pressed to bolster toxic waste cleanup measure*

Labor and environmental leaders urged Congress to strengthen the Superfund for the cleanup of toxic waste dumps and pass a new job disease bill to protect millions of workers from exposure to hazardous substances.

The challenge to Congress came at a news conference during the third annual convention of the OSHA/Environmental Network. Briefing the press were Machinists President William Winpisinger; Network Chair Gaylord Nelson, who also heads the Wilderness Society, and Network coordinators Howard D. Samuel, president of the AFL-CIO Industrial Union Dept., and Michael McCloskey, chairman of the Sierra Club.

In an address to the delegates, AFL-CIO Sec.-Treas. Thomas R. Donahue praised the coalition for uniting previously separated forces toward a common goal. "All of us—workers and environmentalists," he said, "are well aware that many of the dangers communities face from unclean air, unclean water and unclean land have their origins in the workplace."

Donahue cited the example of the tragedy in the Union Carbide plant in Bhopal, India, where unsafe working conditions were ignored until they produced a cloud of methyl isocyanate gas which blanketed the town, killing 2,000 people and injuring thousands more.

"Most people have a short attention span, and they have already put Bhopal out of their minds," Donahue said. "They...wrote the whole thing off as though it were somehow unique to the developing countries around the globe. Unfortunately, that is not true.

"Had that particular chemical plant been located in the United States rather than India, none of the conditions which led to the disaster would have violated any specific standards which currently exist in this country.

"The point is, it can happen here," Donahue warned.

Donahue said that is why the coalition's work is of "such critical importance," by making the public "aware of the inevitable linkage between health and safety in the workplace and the health and safety in the community at large."

### Call for action

Winpisinger said Congress must press "full speed ahead" legislation that would establish a federal identification, notification and research program for workers who are at high risk of contracting diseases related to toxic exposures in the workplace. The bill was introduced by representatives Joseph Gaydos (D-Pa.) and Augustus Hawkins (D-Calif.)

Some 11 million workers are exposed to known cancer-causing substances and other toxics at work each day, and 100,000 workers die and one million are disabled every year from job disease caused by toxic exposures, Winpisinger said.

Yet, there is no system in place to help these workers know about the hazards and their health effects, Winpisinger said.

McCloskey said the coalition has a "first-class fight and challenge" to get an effective Superfund toxic waste cleanup reauthorization passed. The coalition backs a Superfund bill introduced by Rep. James Florio (D-N.J.), which provides a $10 billion toxic waste site cleanup fund and sets cleanup deadlines for the Environmental Protection Agency.

Bowing to Administration and conservative opposition, a House Energy & Commerce panel recently set aside Florio's bill for one which sets no deadlines for the EPA, which has cleaned up only six out of thousands of toxic waste dumps in five years.

In what McCloskey called an "extremely ominous sign that bodes ill for our entire network," the substitute bill would preempt state and community "right-to-know" laws on toxic substances—a network priority since its formation—with weaker federal rules.

# Unions ask passage of strong federal law on workers' right to know of job risks

A strong federal law is needed to provide workers the fundamental right to know if they are at risk of contracting job-related diseases, union witnesses told Congress.

Rubber Workers President Milan Stone, testifying before the House Subcommittees on Health & Safety and Labor Standards, urged speedy passage of the High Risk Occupational Disease Notification & Prevention Act. The measure would require the government to tell workers when they have been identified as being at high risk of getting an occupational disease.

Currently, workers identified in scientific studies as potential victims of job-related diseases are not informed, and therefore, are unlikely to take preventive measures to possibly save their lives.

He was joined by Howard D. Samuel, president of the AFL-CIO Industrial Union Dept.; Joseph M. Misbrener, president of the Oil, Chemical & Atomic Workers; Dr. Irving J. Selikoff, professor emeritus of the Mount Sinai School of Medicine, and Michael McCloskey, chairman of the Sierra Club.

Samuel told the subcommittees that passage of the high risk notification bill is "a long overdue commitment to simple fairness and justice."

Stone testified that there is a critical need for a national program for identifying, notifying, counseling, and medically monitoring worker populations at risk of occupational disease.

The development of such a program would aid in the prevention and early detection of occupational disease and could substantially reduce the staggering costs of medical treatment and care in the United States.

"Workers have a basic and fundamental right to know that they have been exposed to an occupational hazard and are at risk of contracting an occupational disease," Stone told the subcommittees.

### Extent of problem

He outlined the extent of the occupational disease problem, listing the millions of workers affected by varius hazardous materials. These include:

- 3 million workers exposed to benzene with a risk of leukemia up to five times greater than normal.

- 2.5 million workers exposed to asbestos with a risk of lung cancer five times higher than normal.

- 1.4 million workers exposed to nickel, some with a risk factor of lung cancer 10 times normal.

- 1.5 million workers exposed to arsenic on the job, increasing the risk of lung cancer up to five times normal.

Misbrener pointed out in his testimony that the proposed legislation would expand federal research efforts and further identify worker groups at risk of disease due to on-the-job exposures to hazardous substances. The measure would also establish a program to notify workers who are considered at risk because of their occupation.

The House bill would require the Secretary of Health & Human Services to establish certified occupational and environmental health centers to provide medical monitoring examinations and related services to workers who are notified that they may be at high or increased risk of a job-related disease.

Dr. Selikoff, an expert on occupational illnesses, urged passage of the notification legislation. He stressed to the subcommittees that it has only been in this century that medical professionals have been able to concentrate on the prevention of disease.

He praised the bill for being "intensely practical" because it "asks us to try to prevent disease for those at greatest risk."

In pointing up the ethical questions surrounding the withholding of notification from potential occupational disease victims, Selikoff stressed that "whether we inform people of risks can ultimately be thought of as a decision that will determine, in many cases, whether people will live or die."

Considered the nation's top authority on asbestos-related diseases, Selikoff pointed out that 9,000 deaths annually are anticipated from this exposure.

He predicted 15 to 20 percent of these deaths could be prevented "if we were to apply what is currently known in properly conducted medical surveillance programs."

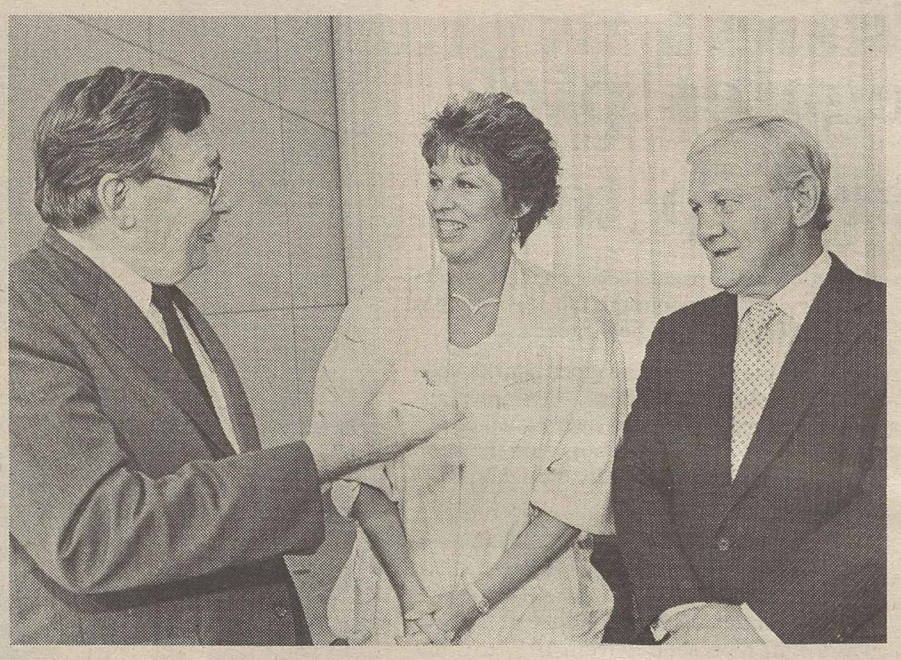
Selikoff added that a side benefit of surveillance of high risk groups would be the advantage of "forcing" advances in medical management and treatment.

## Convention

**The 16th Constitutional Convention of the AFL-CIO will take place in Anaheim, Calif., beginning Oct. 28, 1985.**

**The meetings of the convention will be in the Anaheim Hilton and Towers Hotel.**





AFL-CIO President Lane Kirkland meets with Vicki Lawrence and UFCW President William H. Wynn at federation headquarters while Mama kicks off a new communications campaign supporting UFCW activities.

## TV's Vicki Lawrence

# 'Mama' carries the UFCW message

"Listen to Mama." That's the message the Food & Commerical Workers is sending television viewers and radio listeners, with a little help from a feisty character.

Fans of television's Vicki Lawrence will instantly recognize the sharp tongue of "Mama," ruling matriarch of the TV series "Mama's Family." But Mama's latest messages are a bit different from her usual barbs directed at Carol Burnett's Eunice.

Lawrence and Mama have joined the UFCW media campaign urging support for the union's picket lines and boycotts against Georgia area food stores, Armour hot dogs and Marval turkey products.

UFCW President William H. Wynn said the union wanted to find new ways to communicate the problems of workers to the American people.

"Our economy—with plant shutdowns, unfair foreign competition, corporate mergers and dislocations—has not been kind to American workers or American unions. Through 'Mama,' we will present our complex message in a simple, easy-to-understand fashion—and most importantly, with humor," Wynn continued.

### Campaign kickoff

The UFCW kicked off the campaign with a public reception and screening at AFL-CIO headquarters, where Lawrence met with AFL-CIO President Lane Kirkland, Sec.-Treas. Thomas R. Donahue and rank-and-file union members.

The union's campaign features television, radio and newspaper ads with Lawrence's "Mama" giving advice on picket lines (don't cross them), foreign-owned stores (don't shop them) and even sexual harassment problems (call your union or the Equal Employment Opportunity Commission).

Lawrence said the advertising campaign is "a great opportunity to help the union communicate some difficult issues to the American public." A Republican, Lawrence doesn't believe unionism is a partisan issue.

"When the UFCW approached me, it was obvious to me that we weren't talking about Republican or Democratic issues—we were talking about American values."

"One of the issues we're tackling in this campaign is foreign-owned supermarket chains undercutting American workers' standard of living. That's something I feel very strongly about," she continued.

Mama's first target is the foreign-owned Food Lion grocery chain, as the UFCW campaign gets under way in Augusta, Ga. The union's message: "Listen to Mama. A union can help."

# Westinghouse talks stalled, strike date set

Pittsburgh—Unions bargaining with the Westinghouse Electric Corp. set a strike deadline of midnight July 22 after the company persisted in its demands for massive takeaways.

The company finally presented its list of specific proposals—a four-inch thick stack—on July 15 as talks neared the July 21 expiration of the current pact. Rejecting the company's demands for concessions, the union coalition asked management to take them off the table.

Meanwhile, workers at General Electric Co. overwhelmingly approved a new three-year agreement reached June 30 that covers about 56,000 members of two unions, the Electronic Workers and the unaffiliated United Electrical Workers. The agreement also serves as the model for contracts of other unions in the coalition with GE.

The GE agreement provides for a long-sought agency shop and improved job security as well as substantial wage and pension gains.

### Break from tradition

While Westinghouse generally has followed GE's lead, it indicated this time that it wants to break from tradition. The unions that form the Coordinated Bargaining Committee have strongly resisted the company's strategy.

Besides the IUE and the UE, other unions involved in the Westinghouse talks are the International Brotherhood of Electrical Workers, Carpenters, Machinists, and Steelworkers. The six unions represent a total of 34,000 employees.

Workers will receive an initial lump-sum payment equal to 3 percent of their annual pay, followed by 3-percent wage increases in the second and third years. The pact also provides an improved cost-of-living adjustment formula.

# IUD backs bills for conversion of defense plants

The AFL-CIO Industrial Union Dept. has called for national planning to convert military plants to civilian production in order to ease the impact of plant closings and layoffs in the unstable defense industry.

The IUD executive council endorsed two economic planning bills—H.R. 1066, introduced by Rep. Nick Mavroules (D-Mass.), and H.R. 229, introduced by Rep. Ted Weiss (D-N.Y.).

Defense plants, the IUD council said in a resolution, are "inherently unstable sources of employment. Their often highly specialized workforces face mass unemployment—by hundreds or thousands at one time—when a military production contract sooner or later comes to its conclusion."

"While the Defense Dept. can pay hundreds of millions of dollars to indemnify corporations when procurement contracts are cut off, there is no comparable program to assist workers whose livelihood is cut off."

Most aerospace and weapons plants are "well equipped to produce high quality, fully competetive products for private markets," it continued. Development of alternative production plans "can help minimize the human costs of this special type of plant closing and, at the same time, help to make sure that defense procurement decisions are made on the basis of proper concern for national defense and not on the basis that military spending creates employment which would not otherwise exist," the council said.

The broader economic consequences of today's military expenditures also should be addressed, the council said. Defense spending now exceeds $300 billion annually, or 8 percent of the gross national product, a larger share of the U.S. economy than even during the Vietnam war, it pointed out.

This high level of military spending "can place a burden on the competitiveness of American industry by concentrating some of the best scientific and highly skilled workers into non-commercial activities," it said.

## Live union aid

**Union members donated time and skills as well as money to the success of the "Live Aid" concerts that raised millions of dollars to help famine victims in Africa.**

**Members of the Television & Radio Artists, Musicians, and Theatrical Stage Employees were instrumental in saving an estimated $16 million in production costs.**

**AFTRA reported that its participating members in both Philadelphia and London waived their payments and also paid their own travel and accommodations expenses. One AFTRA group from the West Coast spent $12,000 in travel and performance-related expenses.**

**The fund-raising events raised more than $69 million for famine relief in Ethiopia, Chad, Mozambique, Angola and Sudan.**

# Public worker unions assail flaws in Reagan tax reform

Public worker unions pressed Congress to close corporate tax loopholes instead of putting a revenue squeeze on state and local governments.

One of the Reagan Administration's "tax reform" proposals being considered by the House Ways & Means Committee would end the federal income tax deduction for state and local taxes.

That's the opposite of tax reform, the AFL-CIO Public Employee Dept. protested in testimony before the House Ways & Means Committee. It fails the test of fairness to taxpayers and it would seriously weaken the ability of cities and states to provide public services, the PED asserted.

There is a "simple and compelling" reason for the deduction, Al Bilik, executive director of the PED's state and local division, testified. "Income used to pay taxes to other levels of government should not be counted in determining an individual's ability to pay taxes at the federal level," he said.

Cities and states are already pressed to make up for federal budget cutbacks, Bilik testified. If the federal exemption were ended, he warned, the curtailment of tax resources would mean poorer schools, less health care, and inferior public services.

Charitable contributions would remain tax deductible under the Administration proposal, and Bilik wondered why a voluntary contribution to a private school would be allowed as a deduction while a property tax imposed to support public schools would be denied similar treatment.

As for the revenue factor, Bilik noted that President Reagan's proposed revision of business depreciation rules would, over four years, raise $175 billion less than the reform originally proposed by the Treasury Dept. That's substantially more than the revenue gain from ending the state and local tax deduction.

# *New York transit package provides gains for 36,000*

New York—A new three-year agreement between the Transport Workers and the Metropolitan Transit Authority provides substantial wage and benefit improvements for some 36,000 workers.

The pact, which is subject to rank-and-file ratification, will raise the pay of city bus and subway workers by nearly 18 percent over the life of the agreement. It also is basically free of "givebacks," or concessions MTA has sought at the beginning of the negotiations.

"We're delighted that the union achieved the primary goals we set at the opening of talks," said TWU Local 100 President Sonny Hall.

The union's chief goals were job security and resisting management demands for givebacks.

The union's executive board unanimously voted approval of the agreement and recommended its ratification.

Members will vote on the pact by mail, and the tally will be announced Aug. 14.

Terms of the agreement were also accepted by Locals 726 and 1056 of the Amalgamated Transit Union, which represent a combined total of 2,100 bus drivers and mechanics in Queens and Staten Island.

Under the agreement, workers will receive 5-percent wage increases retroactive to Apr. 1. Additional 6-percent boosts will take effect on Apr. 1 in both 1986 and 1987. Compounded, the increases produce a total raise of about 17.9 percent over the life of the agreement.

Management also agreed to put up $42.7 million to maintain present health and welfare benefits for workers, a dramatic reversal of its position at the opening of talks when it proposed that workers pay 25 percent of the cost.

Also, the MTA agreed to put $12.2 million toward improving benefits, dental care, eyeglasses and prescription drugs.

The contract also extends coverage of the union's prescription plan for surviving spouses from 30 days to a year.

### Retiree benefits

The optical and prescription plan improvements also will extend to retirees.

The new agreement, which replaces one that expired on Mar. 31, does contain some concessions to management, but nowhere near the dozens management asked for initially.

New transit workers will start at 70 percent of the full wage rate, reaching top pay in 36 months. Under the old agreement, new workers started at 75 percent of top pay and worked up to full scale in 31 to 48 months depending on their job.

In addition, weekend and night differential pay is frozen and several overtime pay rules were modified.

The new contract also improves and expedites the union grievance procedure.

## Job decline continues

# Apparel, textile unions push for import relief

Unions representing apparel and textile workers told the Senate's International Trade subcommittee that legislation is needed to curb job-destroying imports because a system of negotiated quotas isn't working.

The Multifiber Arrangement, known as MFA, is supposed to restrain textile and apparel imports so as to avoid serious damage to a major domestic industry. But the damage has nevetheless taken place, the unions testified.

Ladies' Garment Workers President Sol C. Chaikin said American workers are still losing their jobs because "textile mills and garment shops in our country are curtailing production or closing down altogether" as a result of rising imports.

Clothing & Textile Workers Sec.-Treas. Jack Sheinkman told the Senate panel that 100,000 textile and apparel jobs were lost in 1984, employment is down 250,000 since 1980, and "there are almost half a million fewer textile and apparel workers today than when the Multifiber Arrangement went into effect in 1974."

### Bipartisan support

The union officials urged passage of a bipartisan bill that has been introduced by 53 senators and nearly two-thirds of the House, but is opposed by the Reagan Administration. It would expand the list of covered textile and apparel products and limit import growth to between 1 percent and 6 percent annually.

Commerce Sec. Malcolm Baldrige acknowledged the rise in the import share of the U.S. market, but said the Administration is taking "vigorous steps under the existing structure" to keep the industry healthy.

The proposed legislation "is contrary to the free market principles of this Administration," he testified.

Sen. Strom Thurmond (R-S.C.), one of the sponsors of the bill, challenged the Administration position and charged that it contradicted a pledge President Reagan made during the 1980 campaign and reiterated in a 1982 letter that he would work to hold imports to the same rate of growth as the domestic market.

Sheinkman said the labor-supported bill will provide the safeguards that the Multifiber Arrangement "promised but has not delivered."

Foreign countries have cheated on the existing quota system and suffered few penalties when caught, Sheinkman noted. "Too often," he testified, "the operation of the program takes a back seat to foreign policy objectives" and violations are not punished "for fear of irritating some foreign country."

Chaikin noted as an example of the government's too little and too late policy the rise in imports of cotton underwear from China, which in 1982 sent shipments totaling 144,000 dozen to the United States. The total climbed to 740,000 before the United States requested consultation with China in 1983 and established, pending a negotiated agreement, a limit of 740,000 dozen for 1984.

Just this past March, he noted, an agreement reached with China allowed the import level to rise to 1,254,000 dozen this year, with further increases in each of the next two years.

Chaikin reminded the senators that the job-losers from such an open-door import policy are low-wage workers, predominantly women. It is "no bargain for the American people," he said, when jobs are destroyed "for the sake of greater profits" to importers and retailers.



At Senate trade hearings, ILGWU's Sol Chaikin, left, and ACTWU's Jacob Sheinkman call on Congress for curbs on job-gutting imports.

# White House scored on bid to 'privatize' data collection

The AFL-CIO reiterated its strong opposition to an Administration proposal to turn data collection over to private industry, branding the scheme as "crackpot, doctrinaire, free-market ideology gone wild."

"In essence, this proposal—which may become a directive—is telling federal agencies: 'Turn over to provate business all the information gathering and information distribution that you possibly can,' " Federation Economist Markley Roberts told a House Government Operations subcommittee.

"And for what you can't turn over to private business, impose full-cost user charges."

Roberts said the plan, proposed by the Office of Management & Budget in the Mar. 15 Federal Register, smacks of yet another pro-business, industry-protection move by the Reagan Administration.

"If the federal government does not collect key statistics for public policy decision-making, there won't be any reliable statistics," Roberts declared.

"In spite of previous OMB actions which have clearly indicated a pro-industry, pro-big business bias, the general public still generally views federal statistical agencies like the Census Bureau and the Bureau of Labor Statistics as the only neutral, reliable, and authoritative sources of information on subjects of public debate and public policy decision-making."

Roberts charged that the OMB proposal reinforces the growing perception that the agency, "on behalf of business interests affected by government rulemaking and government policymaking, is trying to manipulate information or suppress information which affects the public interest in a number of areas."

OMB is too often charged with meeting secretly with industry representatives and acting as the tool of big business and industry greed rather than as the proponent of the public interest that it is supposed to be, Roberts said.

"It's just plain wrong and foolish to think that collection and processing and distribution of key statistics for public policymaking can be performed with any success or statistical reliability by private business efforts."

# 'Buy American Week' resolution endorsed

A congressman who asked the AFL-CIO's support for his resolution designating the first week in September as "National Buy American Week" got a quick and enthusiastic response.

"Your 'Buy American' resolution could not be more timely," AFL-CIO Legislative Director Ray Denison wrote Rep. Austin J. Murphy (D-Pa.).

The nation's trade imbalance has shown a "mega-increase" virtually every month, Denison said, making the Reagan Administration "the Babe Ruth of both national budget and trade deficits."

# *Flint Glass Workers press for update of trade policies*

Bal Harbour, Fla.—The Flint Glass Workers' convention called on Congress to pass the Trade Law Modernization Act of 1985 to help prevent the further exportation of American jobs.

The convention's 306 delegates pointed out in a resolution on fair trade that the current state of the economy with historically high rates of unemployment and record trade deficits reflects U.S. corporations' perception of labor costs as burdensome and their attempts to boost profits by moving abroad.

The resolution added that the Reagan Administration seems bent on projecting a brand of free trade that "only adds to the number of displaced workers."

The union's members have seen imports devastate some key segments of the glass industry, especially tablewear—dishes and glasses.

Another resolution of special import to the Flint Glass Workers' members called for strengthening the industry by opposing measures to require deposits on glass containers at retail stores.

### Workers' benefits

Among other resolutions adopted at the 12-day convention were measures expressing opposition to any changes in social security cost-of-living adjustments and to any Reagan Administration attempts to tax workers' life support benefits.

All top officers of the union were re-elected without opposition. President George M. Parker was returned for his 13th two-year term and Sec.-Treas. Ivan T. Uncapher will serve a seventh term. The vice presidents returned to office are Robert W. Newell, Eugene F. Bowling and Ben Johnson, Jr. Lawrence Bankowski was re-elected assistant secretary.

The Flint Glass Workers have one of the longest convention schedules, and the delegates directed a policy committee to study the impact of reducing the convention from two weeks to one week.

They also called on the international officers over the next two years to study the pros and cons of merger. Assistant Sec. Bankowski stressed that the union has no merger talks underway and no possible merger partners lined up.

AFL-CIO Sec.-Treas. Thomas R. Donahue told delegates of the challenges facing unions as the economy shifts from a manufacturing base to a service base. Donahue also denounced the Reagan Administration's efforts to tax worker benefits.

Sec.-Treas. Elmer Chatak of the AFL-CIO Industrial Union Dept. stressed to the delegates the need for solidarity among unions and the changing pattern of labor-management relationships.

Rep. Marcy Kaptur (D-Ohio) pointed to the need for trade unionists to become better trained and more active in investment affairs with particular emphasis on the allocation of pension funds.

Other key speakers included Executive Director Vernon McDougall of the Workers' Institute for Safety & Health, Hugh Layden of the National Council for Senior Citizens, and President Richard Ray of the Atlanta AFL-CIO, a member of the Flint Glass Workers.

# Building Trades hail court ruling on safety net use

Boston—The Ironworkers and the AFL-CIO Building & Construction Trades Dept. scored a victory for workers in the steel erection industry when a federal appeals court here ruled on the use of safety nets.

The 1st U.S. Circuit Court of Appeals upheld a citation by the Occupational Safety & Health Administration against the Daniel Marr & Son Co. for failing to protect its employees who work as "connectors" fastening together the steel beams during the erection of a building.

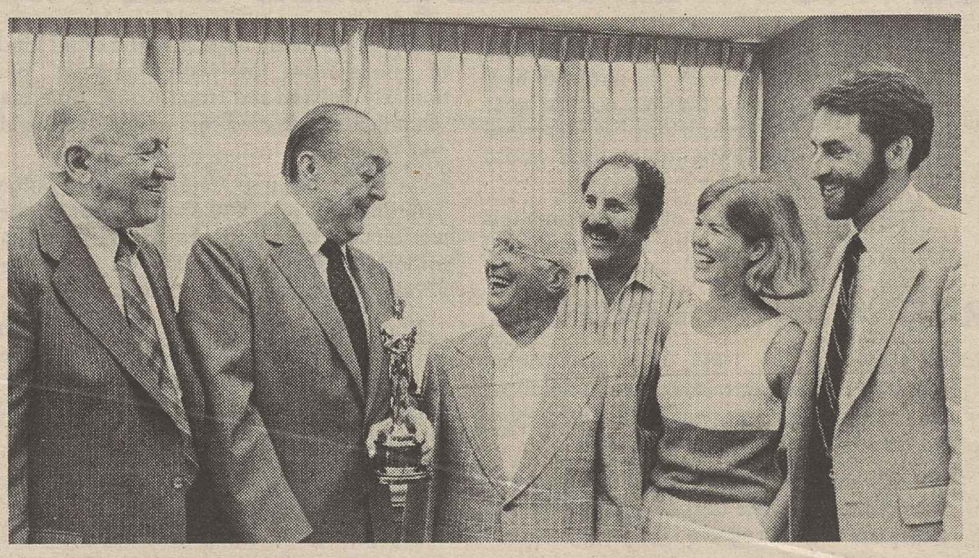
The Ironworkers and the BCTD had intervened in the case in support of OSHA, which had inspected the erection of the steel frame of a turbine generator building at the Seabrook, N.H., nuclear power plant at the request of Ironworkers Local 474.

### High-level danger

The OSHA inspector in May 1982 observed four connectors working without nets 115 feet above the ground and 40 feet above the nearest inside floor.

He cited the company for not having safety nets inside and outside the structure. Marr Co. contested both citations, which were later upheld by an administrative law judge. The firm appealed the exterior net citation to the Occupational Safety & Health Review Commission which overturned the law judge's ruling by a 2 to 1 vote.

In reversing the OSHRC decision, the three-judge appellate court panel said the Labor Secretary's interpretation of the department's safety regulations should be given deference if it is logical and reasonable.



## Stone carvers on TV

The Stone Carvers, an Oscar-winning documentary film on the work of four Laborers' craftsmen, was televised nationally on the Public Broadcasting System on July 4, funded mainly by the union. From left, are LIU Sec.-Treas. Arthur E. Coia, President Angelo Fosco, carvers Roger Morigi and Vincent Palumbo, and film producers Marjorie Hunt and Paul Wagner.



## Free Soviet Jewry

AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue sign petition to Soviet leader Mikhail Gorbachev demanding the USSR abide by terms of the 1975 Helsinki agreement, and permit Soviet Jews to emigrate. Bert Seidman, director of the federation's Dept. of Occupational Safety, Health & Social Security, and Evelyn Dubrow, vice president and legislative director of the Ladies' Garment Workers, look on. Seidman is chairman of the Jewish Labor Committee in Washington. Dubrow is a national vice chairman. The JLC is sponsoring the petition drive for Soviet compliance.

# Curb on transit bargaining costs Atlanta federal funds

A federal appeals court ruled that Atlanta's public transit system is ineligible to receive further federal funds because of a state law that restricts collective bargaining for its employees.

The decision of the U.S. Court of Appeals for the District of Columbia is a victory for the Amalgamated Transit Union, which represents the 2,000 workers of the Atlanta transit authority.

In its ruling, the court ordered the Secretary of Labor to cut off the funds because the Atlanta transit system does not comply with the intent of Congress. Under Section 13(c) of the 1964 Urban Mass Transportation Act, the Secretary of Labor is required to certify that the transit authority has satisfied labor protective standards for employees before funds may be granted.

The federal law was passed at a time when many private transit companies were in precarious financial condition. The measure was designed to allow local governments to step in and buy such companies so that communities would not be without transportation services.

The Georgia legislature created the Metropolitan Atlanta Rapid Transit Authority (MARTA) in 1965 to take over Atlanta's private bus system. The enabling statute allowed MARTA to recognize the ATU and to continue bargaining with the union as the workers' representative.

But in April 1982, the legislature enacted a law prohibiting MARTA from bargaining over five specific issues: the assignment of workers, discharge and termination of employees for cause, subcontracting of work, benefits for part-time workers, and assignment and calculation of overtime.

The law also provided that if the parties could not agree on wages, the matter could be submitted to arbitration only with the consent of both parties.

### Union view

But the way the union saw it, the state law gives management the power unilaterally to set wages, and it filed suit against Labor Sec. Raymond Donovan, challenging his refusal to deny certification.

A federal district judge in Washington ruled against the union, but on appeal the circuit court ruled that the 1982 Georgia law is "completely antithetical to the concept of collective bargaining embodied in Section 13(c)."

ATU President James LaSala said he was "very gratified that the court is compelling the Secretary of Labor to comply with Section 13(c)'s provisions as intended by Congress."

# Conventions scheduled by AFL-CIO affiliates

*Below is a list of conventions scheduled for the remainder of 1985 by AFL-CIO national and international affiliates, state central bodies and fraternal organizations. Changes and additions will be reported.*

| DATE | ORGANIZATION | PLACE |
|---|---|---|
| July 22-24 | Police Associations | Tacoma, Wash. |
| July 24-27 | Texas | Austin |
| July 29-Aug. 2 | Aluminum, Brick & Glass Workers | Toronto |
| Aug. 5-8 | Building & Construction Trades Dept. | Chicago |
| Aug. 5-9 | Railroad Signalmen | Las Vegas, Nev. |
| Aug. 10-14 | Tennessee | Nashville |
| Aug. 12-15 | School Administrators | San Juan, P.R. |
| Aug. 15-17 | Montana | Helena |
| Aug. 16-17 | Utah | Stateline, Nev. |
| Aug. 16-17 | Nevada | Stateline |
| Aug. 18-23 | Oil, Chemical & Atomic Workers | Denver |
| Aug. 21-23 | Iowa | Waterloo |
| Aug. 25-Sept. 1 | Glass, Pottery & Plastics Workers | Pittsburgh |
| Aug. 31-Sept. 2 | Farm Workers | Bakersfield, Calif. |
| Aug. 31-Sept. 2 | Sideographers | Undecided |
| Sept. 2-6 | British Trades Union Congress | Blackpool, England |
| Sept. 5-7 | North Dakota | Bismarck |
| Sept. 9-13 | Allied Industrial Workers | Pittsburgh |
| Sept. 11-13 | Connecticut | New Haven |
| Sept. 13-15 | Vermont | Mt. Snow |
| Sept. 16-19 | Florida | Miami Beach |
| Sept. 17-19 | Oregon | North Bend |
| Sept. 18-20 | North Carolina | Charlotte |
| Sept. 20-21 | Washington | Kelso |
| Sept. 22-24 | Minnesota | St. Paul |
| Sept. 23-24 | Public Employee Dept. | Washington, D.C. |
| Sept. 23-25 | Nebraska | Grand Island |
| Sept. 23-27 | Transport Workers | Las Vegas, Nev. |
| Sept. 23-27 | Bricklayers | Las Vegas, Nev. |
| Sept. 26-28 | South Carolina | Charleston |
| Sept. 27-28 | Wyoming | Casper |
| Oct. 2-4 | Massachusetts | Boston |
| Oct. 2-4 | Kansas | Topeka |
| Oct. 3-4 | Colorado | Denver |
| Oct. 4 | Delaware | Dover |
| Oct. 4-5 | Rhode Island | Providence |
| Oct. 7-10 | Maryland-D.C. | Baltimore |
| Oct. 14-16 | Alabama | Montgomery |
| Oct. 16-18 | Georgia | Jekyll Island |
| Oct. 16-18 | West Virginia | Charleston |
| Oct. 16-18 | Michigan | Detroit |
| Oct. 18-20 | New Hampshire | Laconia |
| Oct. 21-22 | Food & Allied Service Trades Dept. | Anaheim, Calif. |
| Oct. 21-22 | Metal Trades Dept. | Anaheim, Calif. |
| Oct. 23-24 | Union Label & Service Trades Dept. | Anaheim, Calif. |
| Oct. 24 | Dept. for Professional Employees | Anaheim, Calif. |
| Oct. 24-25 | Maritime Trades Dept. | Anaheim, Calif. |
| Oct. 25-27 | International Labor Communications Association | Anaheim, Calif. |
| Nov. 6-8 | Maine | Rockland |
| Nov. 7-15 | Flight Engineers | Auckland, N.Z. |
| Nov. 9-10 | New Mexico | Albuquerque |
| Nov. 13-15 | Oklahoma | Tulsa |
| **AFL-CIO MEETINGS** | | |
| Aug.13-15 | Executive Council | Pittsburgh |
| Oct. 27 | Executive Council | Anaheim, Calif. |
| Oct. 28-31 | Biennial Convention | Anaheim, Calif. |

# Economic slowdown sharpens threat of recession

**Continued from Page 1**

cent, and most economists see that possibility as highly unlikely.

"The very slow growth of the past year is also reflected in the continued high unemployment levels that we've seen in the past five months," Oswald said, noting the nation's jobless rate has remained stuck at 7.3 percent ever since last February.

Many analysts will view it a stroke of luck if the economy now finishes out the year with a 2-percent growth rate. If that were to happen, a rise in the jobless rate would be virtually inevitable.

The poor performance of the economy this year has been building for some time, and has its roots in the huge imports of all kinds of goods from low-wage countries, particularly Taiwan and Hong Kong. American manufacturers have been unable to compete and have been losing sales at home.

At the same time, failure of the Administration to do anything about exchange rates has kept the U.S. dollar overvalued, making imported goods cheaper and American goods more expensive abroad.

Imports this year so far have cost America some 200,000 manufacturing jobs, and the end is nowhere in sight.

Other indications of a soft economy abounded.

One clear sign that growth has subsided was seen in the Federal Reserve Board's decision to relax its tight-money policy. In a midyear report to Congress, the central bank also pointed to "the unevenness of this business expansion and the...basic structural imbalances in the economy."

The Fed noted that the manufacturing sector has particularly suffered since the long Reagan Recession of 1981-83.

Meanwhile, in other reports, the Commerce Dept. said:

Housing starts rose in June, but only by 1.9 percent, after declining 13.45 percent in May. The department said the slight June increase took the annual rate of starts to 1.7 million, or 7 percent below the year-earlier level.

Business inventories in May fell four-tenths of 1 percent, the biggest drop in over two years. The decline indicated caution on the part of businesses.

Retail sales in June were off by eight-tenths of 1 percent after declining by five-tenths of 1 percent in May.

On a brighter note, the Federal Home Loan Bank Board reported a sharp drop in mortgage interest rates in early June. Fixed rate mortgages averaged 12.86 percent, down from 13.49 percent in the same period in May. The decline was the steepest in more than two years.

Separately, the Bureau of Labor Statistics said a drop in energy prices kept wholesale prices virtually unchanged in May.

# UTU, Conrail reach wage accord

The United Transportation Union reached agreement with Conrail, the government-owned freight line, on a new contract restoring wage parity with the rest of the rail road industry.

The agreement is similar in its terms to the pacts signed last February by 15 other unions with members employed by Conrail.

The new UTU accord is subject to ratification, and covers some 8,600 brakemen, conductors, yardmen and firemen on Conrail.

The pact provides for a 12-percent increase in pay—about $1.50 an hour—retroactive to July 1, 1984. Back pay for an average fulltime employee comes to about $4,000, including a special $565 lump-sum payment.

Only the Yardmasters have yet to reach agreement with the carrier. The union has reported some progress, but has no meetings scheduled.

In announcing its new settlement, UTU also said it supports a public offering of Conrail stock in preference to the Transportation Dept.'s decision to sell the line to Norfolk Southern Corp. The position is consistent with that of other Conrail rail unions.

# EDITORIALS

## Shoring Up Pensions

FOR 10 YEARS now, workers have had a federal guarantee that the pension rights they earned on the job won't be wiped out if their employer goes out of business, runs into financial difficulties, or simply stops putting money into a retirement fund.

The termination insurance program, operated by the Pension Benefit Guaranty Corp., is far from perfect and there are holes in the safety net that should be repaired. But the imperfections are dwarfed by the achievements of the pension reform legislation that the labor movement fought for years to achieve.

On its enactment in 1974, the AFL-CIO exulted that American workers now had assurance "that they will actually receive, when they retire, the pensions they worked so long to achieve."

THE LEGISLATIVE achievement came none too soon. The next decade brought a massive volume of job-destroying imports and the deepest recession since the 1930s. Plant closings and corporate mergers wiped out pension plans as well as jobs. While multi-employer plans had a built-in safety factor, the only protection for workers covered by single-employer plans has been the government's pension insurance program.

For three years now, the Pension Benefit Guaranty Corp. has asked Congress to legislate an increase in the insurance premium for single-employer plans. The failure of Congress to act has allowed the deficit to accumulate to a hazardous level, and each delay has pushed up the estimate of the increase needed to keep the program solvent.

Even as a congressional committee concluded hearings on rate increase legislation, the once-giant Allis-Chalmers Corp. said it can no longer fund its pension plan, which pays benefits to 6,300 persons already retired, and asked the Pension Benefit Guaranty Corp. to take it over. Regardless of the validity of its claim of insolvency, this is the type of crisis that brought about the enactment of the law.

The longer Congress delays, the more difficult the solution.

## Crocodile Tears

AS PUBLIC workers can testify, there isn't much difference between a private-sector boss and a government agency when push comes to shove.

So it's not too surprising that a number of city and state officials are pressuring Congress to repeal a section of the Fair Labor Standards Act that applies the wage-hour law to most public-sector workers.

With a somewhat suspect solicitude for their employees, the public officials have been telling Congress that workers would rather get time off than overtime pay. More realistically, they complain of the cost that compliance with the law entails.

Just the same argument, of course, was made when the Fair Labor Standards Act was adopted in 1938 to establish "a floor under wages, a ceiling over hours." Then it was made by private-sector employers, who also shed crocodile tears for the workers.

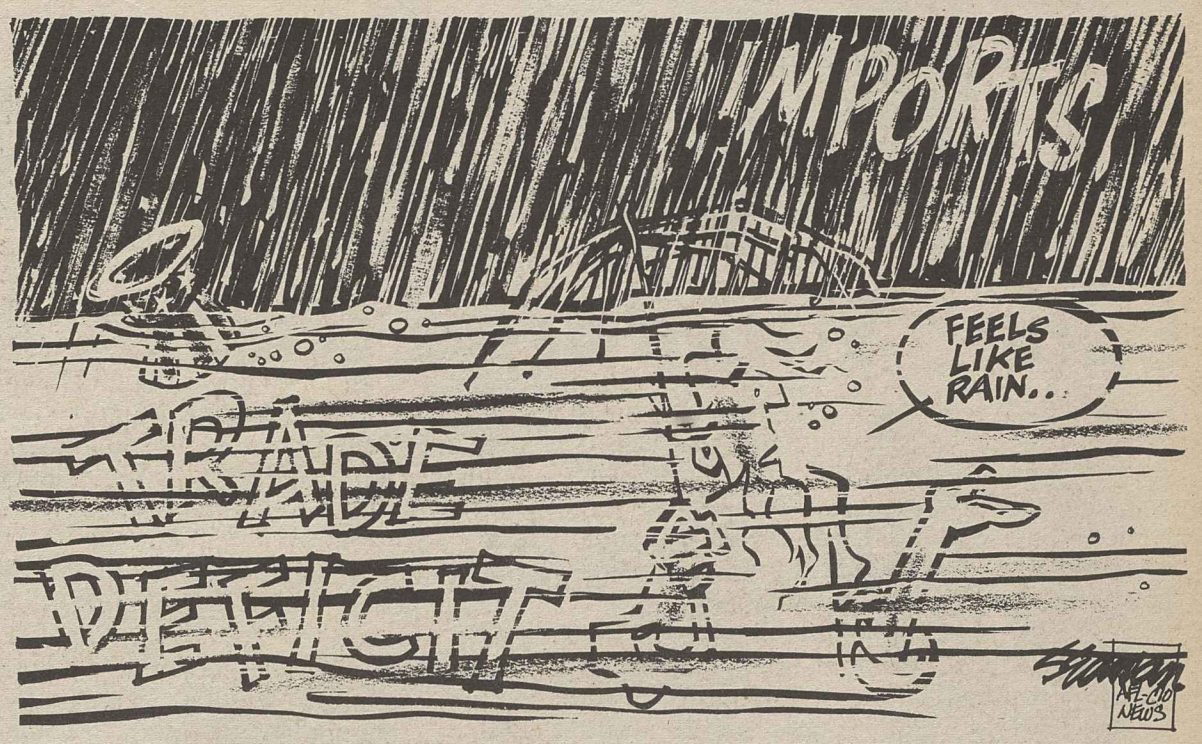
If there had been a prize for the wildest argument against a wage-hour law, it surely would have gone to the employer who warned that it would spell the doom of unions because there would be nothing left to negotiate.

It took Congress a long time to get around to including public employees under wage-hour protection, and the coverage was largely nullified by a 5-4 Supreme Court decision before it became fully effective. But in a rare reversal, the Supreme Court reconsidered and this year concluded that there is no constitutional objection to coverage.

The distinction the earlier court decision had sought to make between different categories of workers proved "unsound in principle and unworkable in practice," the present court held.

It would be ironic if Congress should now turn its back on this lesson and reverse its own sound decision that labor standards are for the protection of all workers, not just those in the private sector.

And it would be very wrong.




**Washington Window**

# 'Lie detector' use grows despite basic inaccuracy

**By Press Associates, Inc.**

When he was President, Richard Nixon had this to say about so-called lie detectors: "I don't know anything about polygraphs, and I don't know how accurate they are, but I do know they'll scare the hell out of people."

Indeed many who have been hooked up to a polygraph describe the experience as intimidating, and also degrading. Others who "failed" the lie detector text complain of lost employment and ruined reputations despite spotless job records.

Job applicants and service industry workers have become increasingly familiar with the polygraph in recent years. Today, an estimated one million polygraph examinations are administered each year to prospective and current employees, more than triple the number 15 years ago.

Employers who use polygraphs say they're needed to weed out dishonest job seekers, to uncover theft, and to keep their employees honest.

Unions, civil libertarians and many research experts oppose their use from several viewpoints. The Food & Commercial Workers and the Hotel Employees & Restaurant Employees back federal legislation that would ban them in private industry.

The truth about lie detectors, their opponents say, is that they lie. In 1983, the congressional Office of Technology Assessment, reviewing two decades of research, concluded, "There is very little scientific evidence to establish polygraph test validity in screening situations, whether they be pre-employment, pre-clearance, periodic, random, or dragnet."

### Failure rate

The office's review of 24 published experiments revealed that the "false positive" rate—the percentage of innocent people accused of being deceptive—ranged as high as 50 percent in laboratory studies and 75 percent in field studies.

Further, the office estimated that at least 50,000 workers each year are wrongfully denied employment either because they refuse to submit to the polygraph or because of its inherent inaccuracy. Thousands more have their good names damaged and are fired or forced to resign, according to union critics.

No machine can accurately detect lies, critics say. What the polygraph measures, scientists say, is stress, or fear, which can result from many factors other than lying, including the "test" itself.

In the procedure, a rubber tube is wrapped around the subject's chest and a pneumatic pressure cuff encircles the arm to measure pulse rate and blood pressure while electrodes attached to the fingertips measure perspiration. Lines formed on a graph during the interrogation are interpreted by an "examiner."

### Irrelevant questions

Any number of prying and irrelevant questions may be asked by the polygraph examiner. Subjects often are asked about their sex lives, their past use of drugs and medications, and even their political and union sympathies.

The Privacy Protection Commission, established by Congress after Watergate in 1974, said in 1977 that the use of polygraphs and other "truth verification" devices such as the "voice stress analyzer" constituted an "unreasonable invasion of privacy that should be summarily proscribed."

The late Sen. Sam Ervin (D-N.C.) called polygraph tests "20th Century witchcraft" and said they violated basic constitutional rights against self-incrimination and the presumption of innocence until proven guilty.

Over the past 10 years, 35 bills have been introduced in Congress to restrict or outlaw the polygraph nationwide, but none has become law.

This year Rep. Pat Williams (D-Mont.) introduced H.R. 1524, the Polygraph Protection Act, to prohibit the use of the polygraph or other "truth verification" devices by private employers.

As Williams told his House colleagues, "The time has come for outright prohibition of these inaccurate and intrusive devices in the workplace. It is time we prevent innocent employees from being 'convicted' and deprived of their livelihoods."

AFL-CIO news

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AFL-CIO LEGISLATIVE

# ALERT!

# Labor Standards Under Assault...

Important labor protections are currently under assault in Congressional committees, underscoring the need for rank and file American workers to let Congress know that standards which have benefited the nation for several generations should not now be threatened.

In the House-Senate Conference on the defense funding bill for fiscal 1986, an amendment to the bill by Senator Phil Gramm (R-TX) would cripple or eliminate wage protections and overtime wage safeguards embodied in the Davis-Bacon and Walsh-Healey Acts, and would curb prevailing wage levels at remote federal installations.

House conferees are holding firm against the Gramm amendment, and the entire $325 billion bill is being held up because of the dispute. These conferees need your support. Call or send a telegram to members of the House-Senate Conference on the Defense Authorization Bill, S. 1160, and tell them that you are opposed to the Gramm amendment.

The House Conferees are: Chairman Les Aspin (D-WI), (Democrats) Price (IL), Bennett (FL), Stratton (NY), Nichols (AL), Daniel (VA), Montgomery (MS), Dellums (CA), Schroeder (CO), Byron (MD), Mavroules (MA), Hutto (FL), Hamilton (IN), Stokes (OH), Hawkins (CA), Ford (MI), Kildee (MI), Murphy (PA), Clay (MO), Williams (MT); (Republicans) Dickinson (AL), Whitehurst (VA), Spence (SC), Holt (MD), Hillis (IN), Badham (CA), Stump (AR), Courter (NJ), Cheney (WY), Jeffords (VT), Goodling (PA), Petri (WI), Bartlett (TX); (Senate Democrats) Nunn (GA), Stennis (MS), Hart (CO), Exon (NE), Levin (MI), Kennedy (MA), Bingaman (NM), Dixon (IL), Glenn (OH); (Senate Republicans) Thurmond (SC), Warner (VA), Humphrey (NH), Cohen (ME), Quayle (IN), East (NC), Wilson (CA), Denton (AL), Gramm (TX).

The Senate Labor Committee has passed by voice vote S. 1105, sponsored by Senator William Armstrong (R-CO), which endangers the eight-hour workday standard now protected by the Walsh-Healey Act. This law has been a safeguard for employees of federal contractors from the burdens and hazards associated with working excessively long hours.

Its companion bill in the House is H.R. 1893, now being considered by the House Eduction and Labor Committee and sponsored by Rep. Thomas Kindness (R-OH).

The House-Senate budget Conference also faces action on Walsh-Healey protections. Unless the conferees take contrary action, the House Education and Labor Committee will be required to revise the 8-hour day provision of Walsh-Healey as part of "reconciliation" instructions.

Still another attack on Walsh-Healey is H.R. 277, sponsored by Rep. James Quillen (R-TN) and pending in the House Subcommittee on Administrative Law and Government Relations of the Judiciary Committee.

Both of these House measures could be given fresh impetus by the action on the Armstrong bill in the Senate.

Contact the chairman of the House Education and Labor Committee, Rep. Augustus Hawkins (D-CA), and the chairman of the Administrative Law Subcommittee, Rep. Dan Glickman (D-KS), and tell them that you want to keep your wage and hour safeguards intact.

# Line-Item Veto

The Senate is now debating S.43, a bill that would give the President a so-called "line-item" veto authority. The bill would shift budget-making decisions to the Executive Branch.

Senators Charles Mathias (R-MD), Mark Hatfield (R-OR), and Robert Byrd (D-WV) are leading the fight against it. A cloture motion to prevent further debate was defeated last week by a three vote margin, giving the bill's opponents more time to lobby their fellow senators. Further procedural votes are expected before the bill is disposed of.

The AFL-CIO has been in the forefront of the fight against this measure because it represents a constitutional end-run that will have little meaningful effect on federal budgetary deficits. Giving the President veto authority will surrender to the Executive Branch fiscal powers that rightly belong to Congress.

# Balanced Budget

Two constitutional balanced budget amendments have been approved by the Senate Judiciary Committee. One version would also limits Congress' power to raise taxes.

The AFL-CIO strongly opposes both versions. Studies have shown that a balanced budget amendment would cripple Congressional fiscal powers to fight recessions and inflation. At the same time it would result in the dismantling of 50 years of labor-backed, progressive programs designed to achieve some measure of economic and social justice for all citizens.

What you can do: Contact your Senators in care of U.S. Senate, Washington, D.C. 20515. Urge them to reject these proposed constitutional amendments that would wreak havoc on the nation's economy.

Please Post

Please Post

## Attention!

**State Federations, Central Labor Councils, International Unions and Locals**

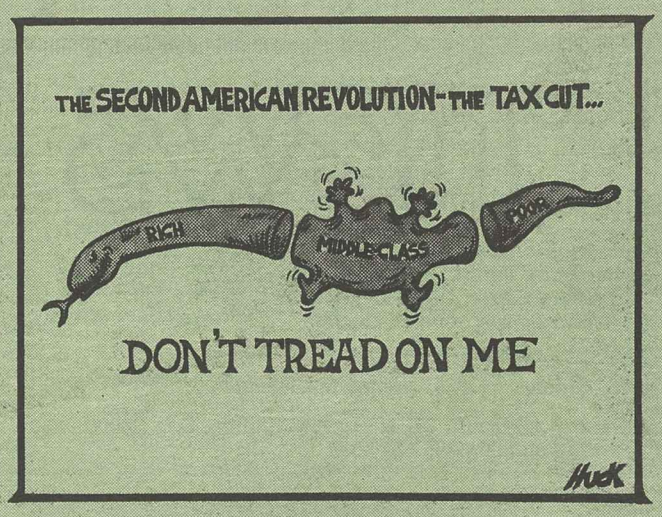
***Congress will take its summer recess August 3 to September 4.***

**NOW IS THE TIME TO MAKE APPOINTMENTS TO SEE YOUR SENATORS AND REPRESENTATIVE DURING THE RECESS TO VOICE YOUR OPPOSITION TO THE TAXATION OF LIFE-SUPPORT BENEFITS.**

***Your legislator listens to what you say, and you can make a difference!***

**Remember these important points:**

- **Under the tax proposal your health care protection will cost you $120 to $300 more in taxed income yearly,**
- **Unemployment benefits, black lung benefits, and worker compensation would be fully taxed,**
- **Taxation of your life-support benefits would jeopardize our country's system of caring for the sick and disabled, which was established over several generations and through a series of carefully crafted tax incentives to keep health care essentially a private industry.**




***Check with your fellow trade unionists and arrange for a group visit. If you've seen him or her before, do it again. It's that important.***




More than 3,500 Steelworkers in Steubenville, Ohio, give unanimous support to the USWA's action against Wheeling-Pittsburgh Steel Co.

AFL-CIO news

VOL. 30, NO. 30
SATURDAY
JULY 27, 1985

# Steelworkers solid in stand on contract

By Arlee C. Green

Wheeling-Pittsburgh Steel Corp.'s court-backed abrogation of its contract with the Steelworkers has forced 8,600 USWA members to form the front line of defense against further devastating wage and benefits concessions in the troubled basic steel industry.

Solidarity among the workers at W-P's nine mills in the Ohio and Monongahela Valleys is as strong as the steel they've produced. These workers know that the wages and working conditions they finally thrash out will be targeted by management in next year's round of bargaining.

Picket lines went up July 21 at mills in Ohio, Pennsylvania and West Virginia in the first major steel walkout since 1959. USWA President Lynn R. Williams and his wife joined the pickets in the pre-dawn hours.

The union stressed that it does not view its action as a strike. It insists that management has engaged in a "lockout" through its unilateral imposition of sharp cutbacks in pay and conditions spelled out in the USWA contract.

Wheeling-Pittsburgh, the nation's seventh largest steel producer, caused the work stoppage when it slashed the wage and benefit package by $5.85 per hour on July 21. A day later, the company suspended the workers' major medical, sickness and accident, life and accidental death and dismemberment insurance coverage.

## Hard bargaining

The union has bargained for nine months over concessions the company insists it needs to pay off its debts, which now total more than $514 million.

Wheeling-Pittsburgh has been operating under Chapter 11 of the Bankruptcy Code since last April. Its court-granted request for the right to abrogate its contracts is the first since the federal bankruptcy laws were amended in 1984 to make it harder for companies to end their union contracts simply by filing for bankruptcy.

Bankruptcy Judge Warren W. Bentz's ruling granting W-P the right to cancel its union contract has been appealed to the U.S. District Court in Pittsburgh which has expedited the hearing of the case.

Some 300 USWA local officers and representatives unanimously approved the work stoppage with the full support of the USWA Basic Steel Conference.

Fairness is the main issue as the Steelworkers are demanding that W-P's creditors and stockholders also make concessions to keep the firm afloat.

**Continued on Page 8**

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7/27/85

# Reagan tax proposal challenged as 'unfair'




Federation President Lane Kirkland testifies for fairness in tax reform at Senate hearings. At right, Assistant Research Director Arnold Cantor.

## *Tilt to rich denounced by Kirkland*

By David L. Perlman

AFL-CIO President Lane Kirkland challenged the fairness of the Reagan Administration's tax proposal and called on Congress to reshape it significantly.

Kirkland told the Senate Finance Committee that America's workers are willing to pay their fair share of taxes. But President Reagan's version of tax reform, he protested, would hit workers with additional taxes while slashing the tax rates of the very wealthy—those who pocketed the most from earlier rounds of tax cuts.

Under the Administration plan, the maximum tax bracket for wealthy individuals would drop from 50 to 35 percent.

Finance Committee Chairman Bob Packwood (R-Ore.) asked Kirkland what he would consider a "fair" tax rate.

Taxation must take account of both the nation's revenue needs and economic conditions, Kirkland responded.

### An obligation

While no one relishes taxes, he said, the burden of taxation is an "obligation of citizenship." And those who have profited the most "ought to be prepared to bear a large share of the load."

Kirkland said the nation's needs and the size of the federal deficit justify an additional tax rate, above the proposed 35 percent maximum, for the top income bracket.

If any group in society should get special consideration in the allocation of taxes,

**Continued on Page 5**

# Labor-backed bills gain, line-item veto bottled up

Three union-supported bills advanced in the House, and the Senate sidetracked a labor-opposed measure that would have tilted power over appropriations from Congress to President Reagan.

The House Education & Labor Committee approved both a plant-closing bill strongly supported by industrial unions and legislation backed by building trades unions aimed at curbing double-breasted tactics of construction contractors.

Both were high on the AFL-CIO's legislative priority list. Committee approval clears the way for action by the full House, probably after Congress returns from its August recess.

The third labor-supported bill, approved by the Post Office & Civil Service Committee on an 18-4 vote, would set up a pay equity study for the federal service. Its sponsor, Rep. Mary Rose Oakar (D-Ohio), said it is needed to determine whether lower-paid jobs filled primarily by women are fairly graded.

### Senate pressed

A similar bill passed the House in the last Congress but never came to a vote in the Senate. As the House committee was acting, union witnesses were urging a Senate subcommittee to approve a companion measure.

The construction bill is aimed at contractors who sign standard pre-hire union agreements but then set up non-union subsidiaries that pay lower wages, provide inferior benefits and disregard labor standards.

Rep. William L. Clay (D-Mo.), a principal sponsor, said it would strike "a reasonable balance" between the rights of workers and management and "restore stability" to construction industry labor relations.

The bill clarifies the definition of a single employer in the Taft-Hartley Act and specifies that a pre-hire union agreement will be binding on all of an employer's operations unless workers vote to decertify a union. It was approved by voice vote.

Employers would have to give at least a

**Continued on Page 6**

# Westinghouse accord boosts job security, benefits, wages

Pittsburgh—Unions representing 28,500 employees of the Westinghouse Electric reached a tentative agreement with the giant electrical equipment manufacturer on a new three-year contract providing improved pay, benefits and job security.

The settlement is similar to one negotiated three weeks earlier with General Electric Co. and contains none of the long list of takeaways demanded by Westinghouse. It was unanimously approved by the Coordinated Bargaining Committee representing six unions.

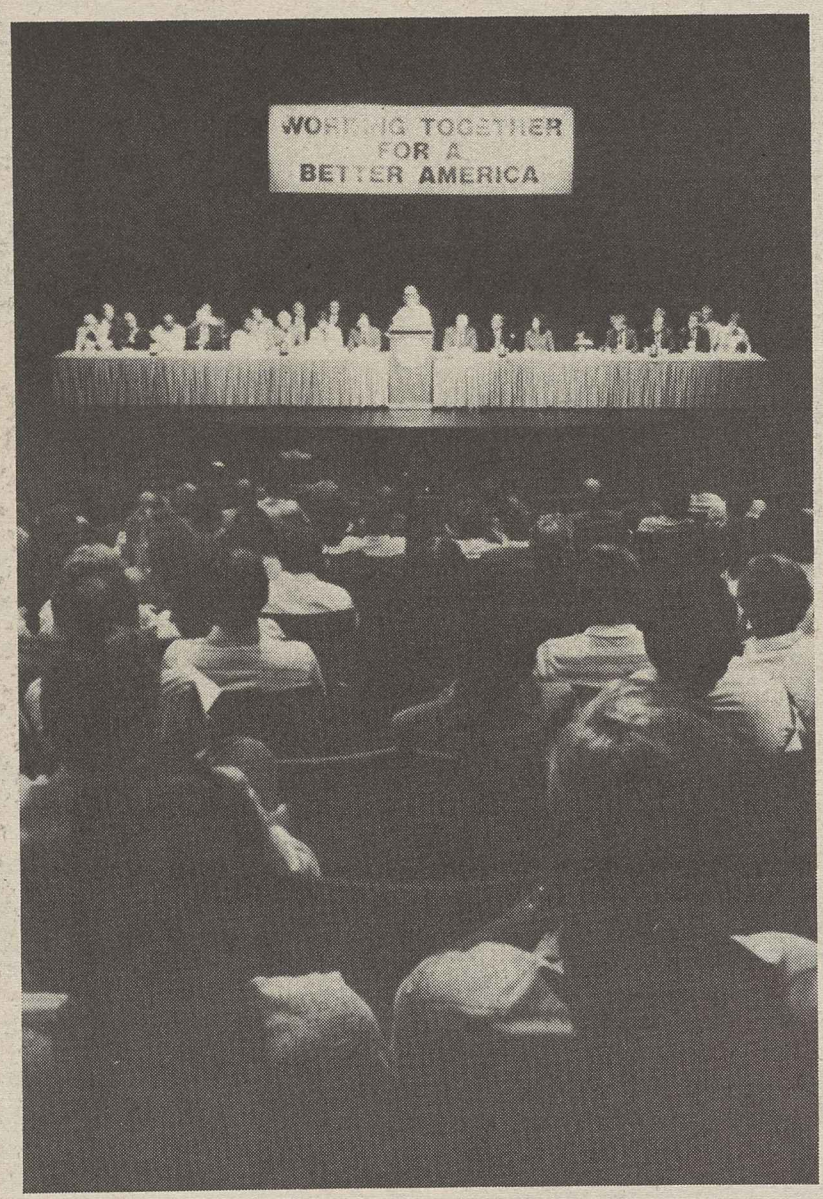
The ratification vote by members of the Electronic Workers is scheduled to be completed by July 28. The International Brotherhood of Electrical Workers and the unaffiliated United Electrical Workers are expected to complete their ratification procedures by Aug. 4.

Three other unions with representatives on the CBC bargain locally with the firm, but the master agreement reached here just hours before a July 22 strike deadline will serve as a pattern. The three unions are the Carpenters, Machinists and Steelworkers.

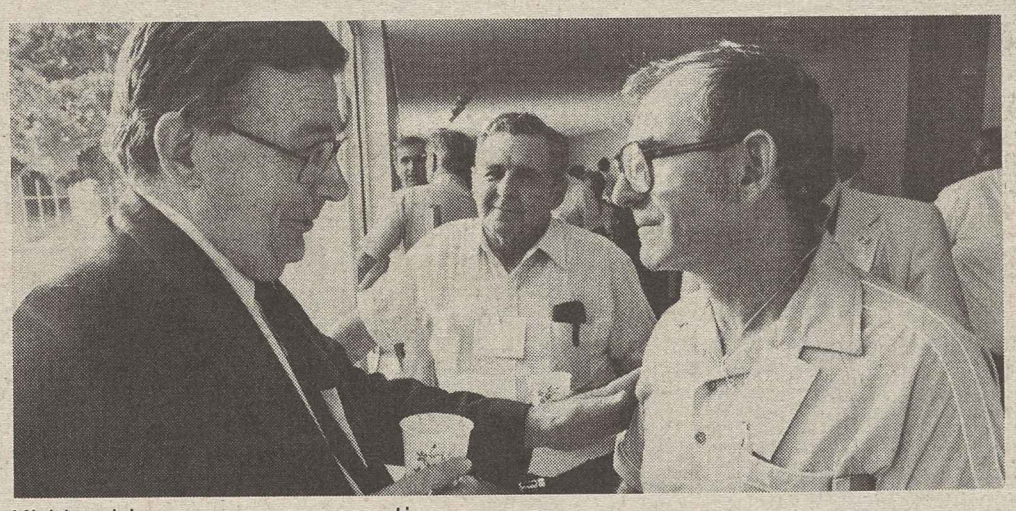
The new 37-month contract, like the GE

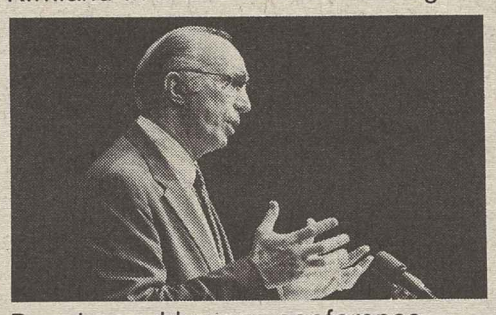
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# Give and take at regional conferences

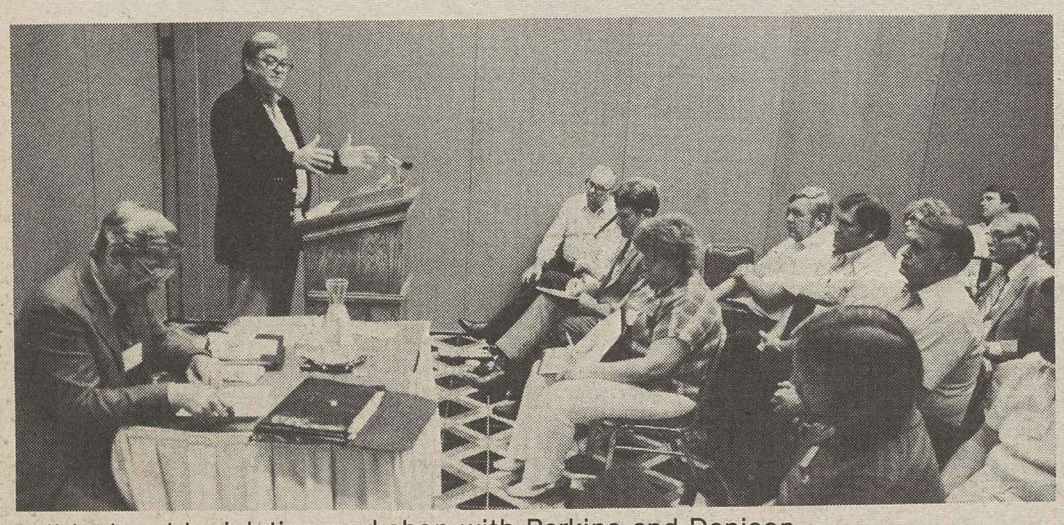


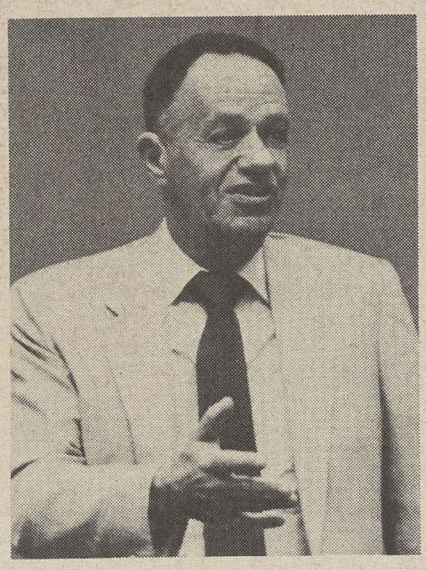
General session at Tulsa conference.

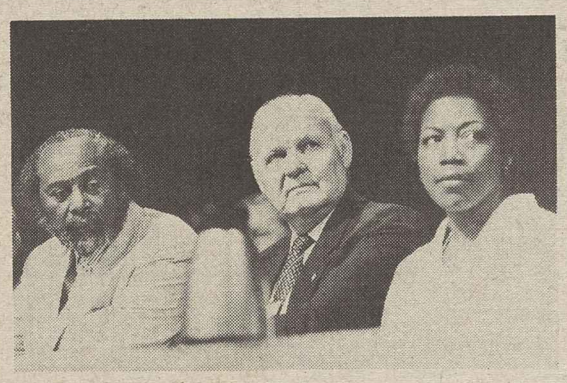

Kirkland in a one-on-one meeting.

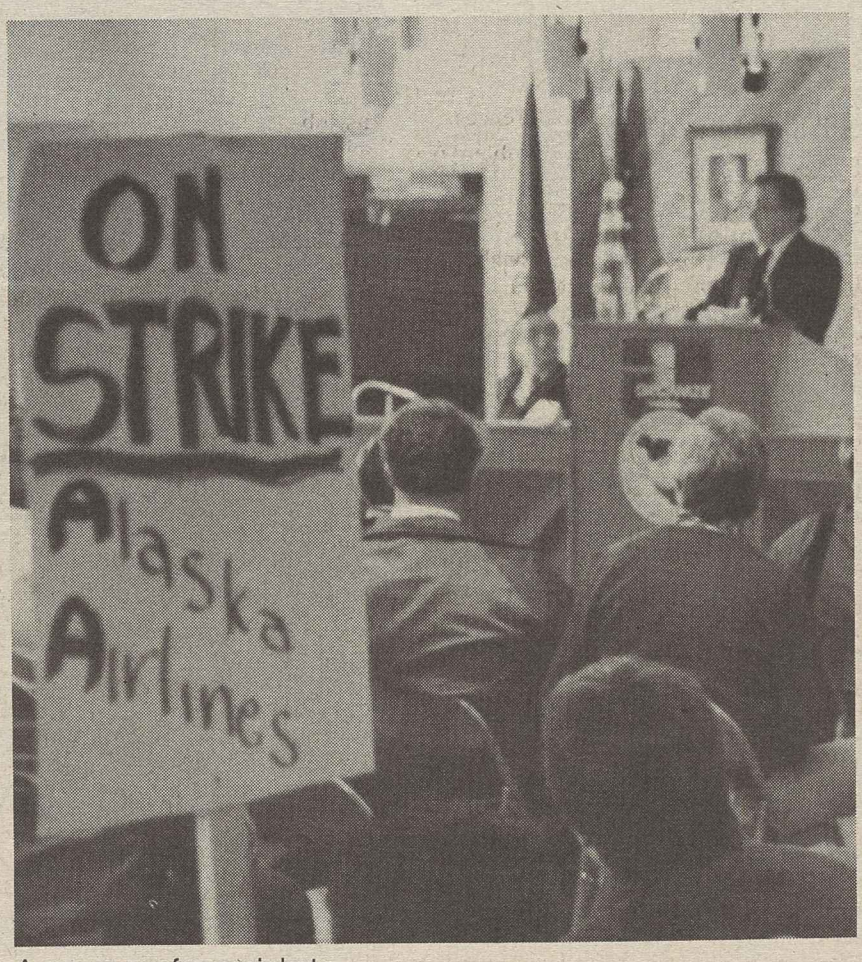

Donahue addresses conference.


Questions from the floor.


Political and legislative workshop with Perkins and Denison.

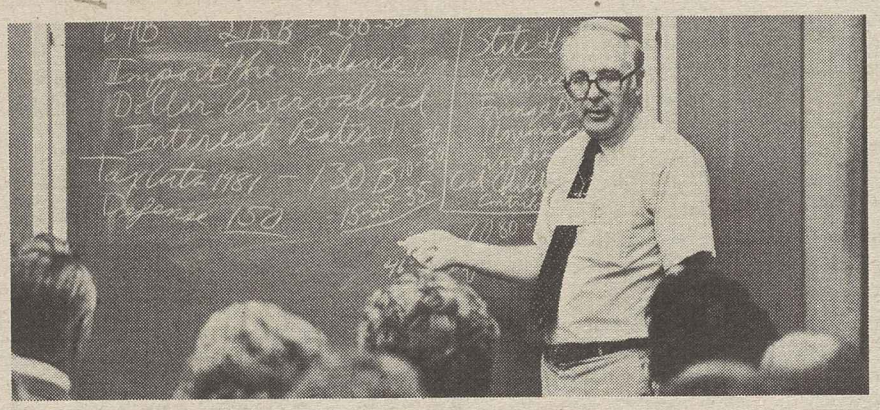

Ken Young responds.

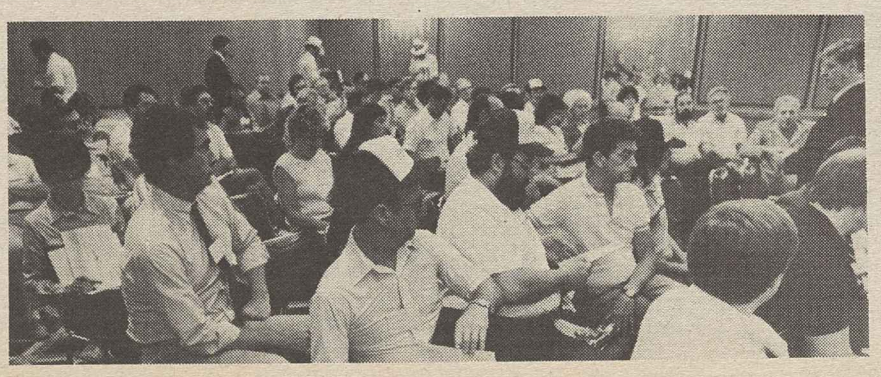

W.C. Young, Harry Hubbard and Beulah Carter.



A message from pickets.


Raising a point.


Oswald outlines budget issues.


Kistler on organizing strategies.


Starting early.

# *Regional sessions message: 'We're in for keeps'*

By Candice Johnson

"Labor is the only force in American life whose mission is to make sure that those who don't have enough power are not kicked around by those who have too much. So to those who would drive us out, we say: 'Forget it. We're in the game for keeps and we're getting better at it all the time.'" That was the message AFL-CIO President Lane Kirkland gave union members attending the federation's final 1985 regional conference in Tulsa, Okla.

Kirkland outlined the challenges facing the labor movement in politics, organizing and the economy, noting that the federation had met and overcome similar obstacles throughout its history.

"To prevail and prosper, we must summon up, from every level of our movement, that spirit of solidarity and sense of common purpose that is our natural and only basic strength," Kirkland stressed.

The 1985 conference series brought union members, local leaders and the federation's top officers and staff together for an exchange of ideas on current issues. Kirkland said the regional conferences were intended to make the labor movement more effective "and to involve our members more actively in the trade union mission."

Kirkland and AFL-CIO Sec.-Treas. Thomas R. Donahue attended all seven regional sessions, joining union members and local officers in six additional satellite meetings at local central bodies during each conference.

## Workshops

Participants to the two-day sessions attended workshops led by AFL-CIO staff on health care costs, legislative goals and political action, budget and trade issues, organizing and community services and civil rights.

Kirkland and Donahue fielded questions on a number of topics, with the AFL-CIO's Executive Council report on the Changing Situation of Workers and Their Unions mentioned frequently.

The federation's top officers also outlined some new approaches to supplement traditional organizing techniques, such as low-cost benefits packages for "union associates" and a fine-tuning of the corporate campaign against employers.

Participants at all seven conferences expressed concern over the Reagan Administration's so-called tax reform and attempts to tax workers' job-related benefits. Kirkland said the AFL-CIO would welcome tax provisions which would remove most poor people from the tax rolls, but "as a package for total reform, the President's plan is a failure."

Kirkland called the attempt to tax workers' health insurance "a betrayal by the federal government," noting that the government made a conscious decision to use tax policy to support private insurance, instead of adopting the national health insurance programs other industrialized countries put in place and the U.S. labor movement advocated.

A common theme throughout the conference series was labor's media image and steps the federation could take to improve its public standing and Kirkland noted that a recent Gallup poll showed an increase in public support for unions for the first time since 1965.

Donahue outlined the federation's one-on-one program, calling the project "one of the vehicles for the resurgence of the American trade union movement."

The one-on-one campaign is underway in Georgia, Idaho and Missouri, with coordinators, organizers and canvassers trained to reach out to union members "in face-to-face conversations."

## Political process

Kirkland answered questions on labor's political program and said the AFL-CIO would continue to participate in the political process.

"The process by which candidates are selected is a critical one, and we intend to be a part of it," he said.

Other issues raised during the conference schedule included the termination of unemployment benefits and trade adjustment assistance, and AFL-CIO support of black trade unions in South Africa.

# Questions posed to Donahue reflect workers' concerns

"And another problem is that the state building inspectors will sign the OK in the rat contractor's office without even going on the job, but they niggle our union job to death with inspections and complaints and on and on."

That comment from an IBEW member came in Springfield, Mo., during the last session of 24 meetings AFL-CIO Sec.-Treas. Thomas R. Donahue had with trade unionists of all sizes, ages and descriptions during the 1985 regional conferences.

It was the only time such a problem was voiced. But it was typical of the opportunity trade unionists in some of America's middle-sized cities had to see and hear AFL-CIO President Lane Kirkland and Donahue and discuss any topic anyone wanted. Most of the sessions ran 90 minutes and Donahue reported he was stirred by the concerns participants voiced:

"Is there any hope for foreign trade legislation before they turn out the last light in the last plant in this state?"

"Are we going to keep the same system of a presidential endorsement before the primaries in 1988?"

"What can be done to increase affiliation with local central bodies?"

"Do we stand a good chance of stopping the subminimum wage again this time?"

## Unfolding events

The time frame of the meetings—from Portland, Eugene and Coos Bay in March to Tulsa, Joplin and Springfield in mid-July—changed some of the content of the discussion as President Reagan unveiled his tax package, William Brock became Secretary of Labor and more and more trade unionists had already received and mailed postcards to their representatives against taxing employer-paid benefits.

The Changing Situation of Workers and Their Unions, the report released by the AFL-CIO Executive Council in February was a prime topic since Donahue chairs the council committee which drafted it.

"It's a kind of pretty printing job, with nice colors and that's all it ever will be unless you read it and discuss it," Donahue said. "If it drives the discussion, if you apply it to the particular circumstances of your union and your local, then it will do its job—because that's where change, and a better labor movement, will come from."

## Widely discussed

Like the fringe benefit postcards, the study was better known in Donahue's later rounds and the discussion expanded accordingly. But nowhere as much as in Syracuse, N.Y., where Donahue encountered a busload of trade unionists from Rochester who obviously had been studying the report on the way over.

Along the way, Donahue visited a picket line in Carbondale, Pa., a retirement home operated by the AFL-CIO in Dayton, a new museum on textile mill history in Lowell, Mass., and had one stop happily cancelled when a UFCW strike ended with a new agreement before Donahue got to Richmond, Ind.

In Idaho, the issue was inevitably the state's November 1986 "right-to-work" referendum and in Chattanooga, Brock's hometown, Labor Dept. policies dominated the discussion.

A newly unemployed steelworker in Scranton, Pa., told Donahue the poignant story of the government office which explained Trade Adjustment Assistance in great detail and why he qualified. "But there's no more money for TAA since the Reagan budget cuts and you're out of luck."

# Running itinerary

**A total of 44 cities in 21 states were visited as AFL-CIO President Lane Kirkland made 20 stops and Sec.-Treas. Thomas R. Donahue toured 17 cities in addition to the seven regional conference sites where both appeared. The itinerary:**

**From Portland, Kirkland went to Longview, Tacoma and Seattle, Wash., while Donahue went to Eugene and Coos Bay, Ore. From Providence, R.I., Kirkland went to Manchester and Portsmouth, N.H., and Augusta, Me., while Donahue went to Lowell and Springfield, Mass.**

**From Salt Lake City, Kirkland went to Ogden, Webber and Orem, Utah, while Donahue flew to Pocatello and Boise, Idaho.**

**From Cherry Hill, N.J., Kirkland went to Wilmington, Del. and Harrisburg and Johnstown, Pa., while Donahue went to Allentown, Carbondale and Scranton, Pa. and Syracuse, N.Y.**

**From Indianapolis, Kirkland went to Danville, Decatur and Peoria, Ill., while Donahue went to Richmond, Ind., and Dayton and Columbus, Ohio. From Nashville, Kirkland went to Muscle Shoals, Ala., and Memphis, Tenn., while Donahue went to Chattanooga and Knoxville, Tenn.**

**From Tulsa, Okla., Kirkland went to Wichita, Kan., Oklahoma City and Dallas-Fort Worth while Donahue went to Joplin and Springfield, Mo.**

# Union members in 27 cities share views with Kirkland

A long series of give-and-take sessions with members of affiliated unions ended for AFL-CIO President Lane Kirkland at a noon meeting in Arlington, Tex.

Starting on Mar. 22, in Portland, Ore., and ending on July 15, mid-way between Dallas and Fort Worth, Kirkland met with union members in 27 cities during the 1985 regional conferences and satellite meetings.

The agenda for the 1985 meetings was unique. In addition to addressing participants at seven regional conferences, and answering their questions in both formal and informal meetings, Kirkland visited other union groups in 20 cities.

In each of the satellite meetings, Kirkland devoted his time to answering questions, fielding comments and recording suggestions from the members who attended.

"These meetings have proven very helpful to us," Kirkland told the Dallas audience. "They have given us a chance to talk with brothers and sisters who are on the front lines and who are feeling the pinch of the policies coming out of official Washington.

"Some of the ideas and suggestions that we have taken back from these meetings to the Executive Council and the convention have led to new initiatives and directions."

## Recurring topic

At each meeting, Kirkland discussed the recently issued report from the AFL-CIO Committee on the Evolution of Work, the Changing Situation of Workers and Their Unions.

The questions at the meetings covered such vital issues as the crisis of foreign imports destroying American jobs, so-called tax reform proposals and the soaring federal deficit, federal job training bills, the limits on political activity for federal workers and the federation's national political program.

"Throughout out history, most of what we do—and the best of what we do—has grown out of the views expressed and the activities undertaken at the grassroots of our movement," Kirkland told them.

"You are the people who make the labor movement a living presence in the workplace and in your communities."

# Workshops focus on national issues

Participants in each of the seven regional conferences attended a series of six workshops keyed to the two main themes of the conference, the implications of the federal budget and taxes and health care.

Each session, conducted by directors or staff of AFL-CIO departments, included a discussion of the two theme issues and a question-and-answer period.

Information in the workshops was supplemented by written materials in a loose-leaf binder distributed to all conference participants.

Following the plenary session on the first night of each meeting, the AFL-CIO Dept. of Information and the Labor Institute of Public Affairs opened the workshops with a seminar on improving the labor movement's access to and performance in the media.

The discussion was followed by a video presentation of television and radio advertising spots produced by a wide range of AFL-CIO national and international unions and state and local central labor bodies.

The ads, both paid and public service spots, illustrated uses of advertising to explain labors positions on important issues as well as its role in society.

On the second day of the conference, participants, grouped by states, attended five 50-minute workshops concentrating on different aspects of the budget, tax and health care themes.

## State of the economy

A session by the Departments of Economic Research and Occupational, Safety, Health & Social Security discussed the current state of the U. S. economy, the budget deficit and current tax laws as well as climbing costs of health care and methods of containing them.

The current status in Congress of federal legislation on tax reform and on a new federal budget was detailed in a workshop by the Dept. of Legislation. A state-by-state break down of political action was conducted by AFL-CIO COPE.

The workshop of the Dept. of Civil Rights examined the impact of the Reagan Administration's current and proposed budget cuts on minorities and women, and the Dept. of Community Services discussed programs for helping workers and their families cope with the effects of these cuts in their communities, where Reagonomics is most keenly felt.

A discussion led by the Departments of Education and Organization & Field Services focused on the recommendations of the new report of the Committee on the Evolution of Work. Participants were encouraged to suggest methods for putting many of the recommendations to work in their own unions as well as in state and local central bodies.

While AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue conducted "satellite" meetings at neighboring central labor councils in each region, a question and answer workshop open to discussion of all issues of concern to participants was held by Kenneth Young, executive assistant to Kirkland.

# Building Trades, contractors move to revitalize union sector of industry

The AFL-CIO Building & Construction Trades Dept., as part of its national cooperative program to revitalize the unionized segment of the building industry, has published a guidebook mapping the way for labor-management committees to recapture business lost to non-union contractors.

The publication, titled Market Recovery Guidebook for Union Construction, stresses the need for a "new relationship between labor organizations and contractors." The booklet was produced by the National Market Recovery Committee, which represents the BCTD and the National Construction Employers Council. The employers' group comprises 13 construction-related associations.

The guidebook notes that the national joint committee has visited 27 local areas since the two sides agreed to the cooperative effort. "The time is now," declares the pamphlet's introduction, for labor-management cooperation.

Harsh realities of the current construction industry make-up are cited. The committee said the union share of the construction market has declined and a threat to the future benefits of union members exists now in a number of areas. Union contractors have faced a reduced volume of work and "some have even resorted to establishing non-union operations," the committee said.

The national committee pointed out that its efforts have been misunderstood and that it has been "unfairly characterized" as "an organization for cutting wages." It reported that its experience has been that union contractors seeking to recapture their market do not always include wages in their list of adjustments.

The committee said that it has found that once a market has deteriorated to where union construction no longer dominates the local market, it has been much more difficult to mount a recovery. "Under such conditions, local unions, to survive, have been forced to give away significant portions of previously negotiated wage rates, as well as working conditions."

### Cost of waiting

It emphasized the immediate need for the cooperative efforts, saying that "the longer you wait to begin your program, the more that program is going to cost."

Those local unions that do participate in such programs, however, should not be looking for immediate results. "The curse of the Market Recovery Program is impatience," the committee warned.

Market recovery must be considered a long-term program, it said, because the decline of the unionized segment of the industry has taken years. The Bureau of Labor Statistics reported recently that 30 percent of the blue-collar workers in construction are union.

The key to reversing the decline is cooperation, the committee declared. "To compete effectively and survive, the construction industry must reform its practices and launch cooperative labor-management programs."

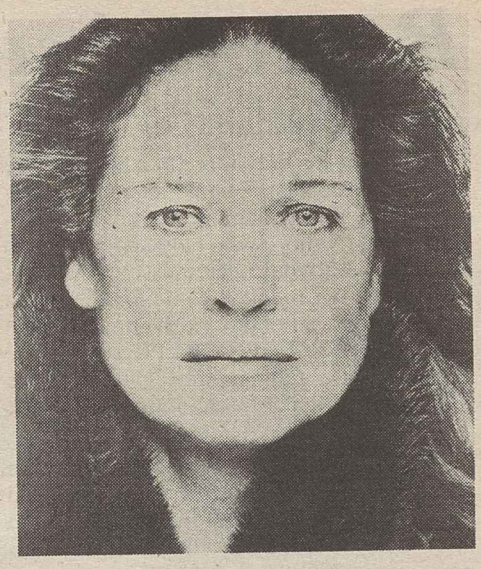
Some local areas already have joint programs and the success of their efforts varies widely. Simple public relations operations have limited effectiveness, the guidebook says, noting that groups that have directly addressed the work practice and productivity issues have enjoyed a larger market turnaround.

The overview of the program calls for the establishment of local labor-management committees to:

- Measure the growth of the open shop in an area.
- Identify non-productive practices and work rules.
- Improve collective bargaining.
- Implement a public relations campaign aimed at building owners and the public.

"The alternative to such a cooperative effort is grim," the committee said. "For trade unions, it may mean the decline of a great tradition with its accompanying benefits. For some contractors, it has already meant a reduced volume of work, and even a threat to their survival as union contractors."

The guidebook includes a sample agreement for local joint committees and a variety of sample tables, charts and graphs that can be used to measure construction employment, wages and benefits.



## Equity president

Colleen Dewhurst has been elected president of Actors' Equity to succeed Ellen Burstyn, who did not seek re-election. Dewhurst served on the union's governing council since 1983.

## Buying power of U.S. workers stays below '84

The buying power of American workers in June was down 1.3 percent from the level of a year earlier despite a rise of three-tenths of 1 percent for the month, the government reported.

That meant real, or inflation-adjusted, earnings of production and nonsupervisory workers in the private sector were below 1984 levels in each of the first six months of the year.

The average factory worker grossed $301.66 a week in June, but in constant 1977 dollars that came to $172.08, the Bureau of Labor Statistics reported. A year earlier, the inflation-adjusted average was $174.30.

Separately, BLS said retail prices, as measured by both its Consumer Price Index for Urban Wage Earners & Clerical Workers (CPI-W) and Consumer Price Index for All Urban Consumers (CPI-U), rose a slight two-tenths of 1 percent in June, the same as in May.

### Rising price index

CPI-W, which the government uses to calculate social security and other increases and unions and employers use to figure cost-of-living raises, was 4.1-percent higher than a year earlier.

Food prices edged up one-tenth of 1 percent in June, the first increase since February, and transportation charges fell two-tenths of 1 percent. Grocery store food prices were down for the fourth month in a row, but restaurant meals and snacks were up six-tenths of 1 percent.

Electricity charges last month rose sharply, 1.3 percent, but heating oil costs declined by 1.4 percent.

Gasoline prices continued to rise, but at a slower rate than in the past two months.

New car prices rose two-tenths of 1 percent, while used car prices plunged 1.6 percent. Public transportation fares were up two-tenths of 1 percent.

## Auto industry bosses put a dent in profits

The auto industry's 170 top executives celebrated 1984's record profits by hauling home an average pay boost of 15 percent or more than $74,000.

A survey of automotive and supplier companies by Automotive News showed the average executive salary and bonus for 1984 was $579,928—up from a total of $505,814 a year earlier. In 1982, the top auto executives averaged just $400,000.

Philip Caldwell, who retired as Ford Motor Co. chairman last year, hauled home the highest combined compensation—$1.58 million. Chrysler Corp. Chairman Lee Iacocca pocketed a 151-percent pay boost which put his compensation at $1.19 million, enough to oust General Motors Corp. Chairman Roger B. Smith from the No. 4 spot.

Combined salaries and bonuses for the 170 executives came to nearly $100 million.

## ITU members begin mail vote on Teamster bid

Colorado Springs, Colo.—Typographical Union members are voting on merger with the unaffiliated Teamsters in a mail ballot being conducted by the American Arbitration Association.

AAA Denver regional director Mark E. Appel said the mailing of the ballots on July 8 "took place without a hitch, and we don't anticipate any major problems."

The ITU executive council retained the AAA to conduct the vote. The ballots will be counted shortly after the return deadline of Aug. 21, Appel said.

The council had ordered the referendum after efforts to merge with the Graphic Communications Union ended earlier this year. A suit by the Teamster-backed Coalition for Merger to block the vote was dismissed by a federal court judge in May.

Meanwhile, ITU members and Teamsters were on opposite sides of the picketlines at the Chicago Tribune where 650 members of ITU Printers Local 16 and Mailers Local 2 were on strike along with 300 members of GCIU Pressmen's Local 7.

While several other AFL-CIO unions are honoring the picket lines, the delivery drivers were directed by the Teamsters leadership to continue working.

ITU Local 16 has been without a contract for two-and-a-half years, Local 2 has been without an agreement since July 1984 and GCIU Local 7's contract expired in April 1985.

Under the proposed merger plan, the ITU would become a division of the Teamsters. Prior to the mailing of the ballots, the ITU held five regional meetings to allow members to question the executive council on the scheme. Meetings in Toronto, Winnipeg, New York, St. Louis and San Francisco drew about 750 members.

## Flight Attendants land Air Wisconsin unit

Appleton, Wis.—The 135 flight attendants at Air Wisconsin, Inc., voted unanimously to join the Association of Flight Attendants.

The AFL-CIO affiliate was certified as bargaining agent following a July 8 ballot count in Washington, D.C., by the National Mediation Board, the federal agency that oversees labor-management relations in the airline industry.

The Appleton-based regional carrier serves 30 cities in nine states following its recent merger with Mississippi Valley Airlines.



IUE President William Bywater announces Westinghouse settlement.

## *Three-year pact brings gains for 28,500 at Westinghouse*

**Continued from Page 1**

agreement, calls for average annual wage increases of 3 percent, cost-of-living adjustments, pension improvements, and some job security guarantees. It also contains an agency shop provision requiring nonunion workers to pay the equivalent of union dues for services provided by the union as bargaining agent.

IUE President William H. Bywater, who assumed leadership of the CBC bargaining group as talks neared the strike deadline, had high praise for the "unprecedented solidarity" of the six unions, adding:

"Westinghouse realized we were serious. We definitely would have struck, no question about it."

Bywater and IUE-Westinghouse Conference Board Chairman Richard Jellette said the contract contains "no concessions and no takeaways."

### Following the pattern

Earlier, Westinghouse had said it intended to break from tradition and not necessarily follow the GE pattern. Instead of a national agreement, the company sought to negotiate separate pacts for each of its 25 business units.

Bywater and Jellette attributed the firm's decision to back off from its "localization" and takeaway demands to the unions' solidarity and determination to resist givebacks.

The IBEW's chief negotiator, Tom Hickman, stressed that the settlement maintains the industry pattern established in the GE negotiations. Westinghouse officials expressed satisfaction with the new pact.

The IUE represents about 6,000 Westinghouse workers, IBEW 8,000, and the four other unions the remainder.

Other highlights of the agreement include:

- Pay rate retention of 39 weeks, up from 26 weeks, for workers threatened with job loss because of transfer of work or introduction of automation, and a $5,000 termination bonus for employees 60 or older who are threatened with such job loss.
- Improved pension benefits, with benefits going from a range of $15 to $21 per month times years of service to a range of $16 to $22 in 1987.
- An improvement not included in the GE pact gives a $100 per month supplement to those who retire at age 58 with 30 years of service.
- Life insurance improvements.
- Insurance improvements for retirees.
- New vision coverage, improvements in dental benefits, and increased sickness and accident benefits.

# *Reagan's 'tax reform' termed good for rich but bad for workers*

**Continued from Page 1**

Kirkland suggested, it should be those who are working hard to put food on their table, provide shelter for their families and send children to schools.

Some of the President's proposals have merit, and the AFL-CIO strongly supports features that will relieve most poor Americans of their tax burden, Kirkland testified.

But "as a package," he said, the Administration plan "does not add up to the major overhaul needed to establish fairness and end the preferential treatment given wealthy individuals, stock and real estate speculators, oil and gas developers, and corporations."

Working men and women pay most of the nation's taxes and meet their obligations in full "every payday," Kirkland stressed. He said the key test for tax reform "is the extent to which it diminishes unfairness toward people who work for their money and eliminates favoritism toward people whose money works for them."

By that standard, Kirkland testified, "much of the President's program falls short."

Kirkland reiterated the AFL-CIO's opposition to the taxation of health insurance or any other employee benefits.

### Misguided proposal

The proposal to end the deductibility of state and local taxes would "most severely hurt those states and localities that most conscientiously live up to their public responsibilities," he protested.

He said that ending the second-earner tax deduction, as Reagan proposes, "recreates the marriage penalty." Along with the proposed elimination of the child care tax deduction, Kirkland noted, it targets young working families who are already struggling under the burden of high interest rates and inflated housing costs.

Kirkland listed the AFL-CIO's specific proposals for raising additional revenues by ensuring that corporations pay a fair share of taxes and by closing the many loopholes which have encouraged the export of U.S. jobs as well as depriving the nation of tax revenue.

To expressions of agreement from many of the committee members present, Kirkland reminded the senators of labor's position when Reagan in 1981 proposed both a huge increase in defense spending and a big, revenue-losing tax cut.

The combination didn't make sense, Kirkland said. The AFL-CIO proposed instead a tax surcharge, with no exemptions, to pay for whatever increase in military spending Congress deemed necessary for the nation's security.

"If we had done this," he suggested, "we wouldn't have the deficit problem today."

Two panels of union witnesses also testified at the Senate hearings. These were some of the points made:

- Postal Workers President Moe Biller said Congress will have "a very tough job to make tax reform fair" if it follows the Administration blueprint. A better approach, he suggested would be to select out some of the "good features" as the framework for a different bill.

The "most promising feature" of the Administration plan is proposed tax relief for the lowest-income groups, he said.

- Sheet Metal Workers President Edward J. Carlough said the losers under the Reagan plan are middle-income workers who already have been hit by higher social security taxes.

The burden, he protested, falls disproportionately "on the segment of the population that is the hardest working and greatest provider of federal tax revenues."

- Teachers President Albert Shanker said ending deductibility of state and local taxes would create "a massive inequity."

Donations to private charities would remain deductible, as they should, Shanker said. But the taxes to support the primary public services would no longer be deductible.

- State, County & Municipal Employees Sec.-Treas. William Lucy charged that Reagan is using the claim of tax reform to further "his ideological views."

Lucy termed the proposal for ending state and local tax deductions an extension of Reagan's policy of "tax and budget cuts for federal, state and local governments."

- Auto Workers Legislative Director Dick Warden expressed concern that the Administration plan would add to the federal deficit, and said it "falls far short" of restoring the corporate tax base.

He said the UAW sees "no justification for providing further tax benefits to the wealthy."

- Fire Fighters Governmental Affairs Director Harold A. Schaitberger cited features of the Administration plan that would impose an additional 20 percent tax on pensions of many fire fighters and police officers.

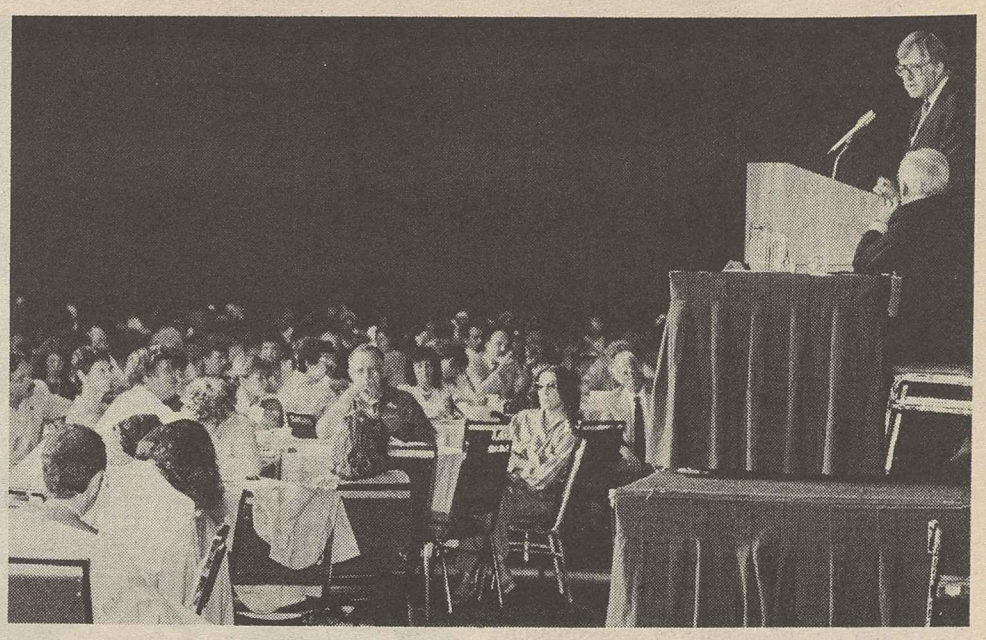
He warned also that eroding the local and state tax base would force a cutback of vital public services.

## William Foley dies, textile union official

North Andover, Mass.—William J. Foley, secretary-treasurer of the United Textile Workers since 1978, died after a heart attack July 1. He was 61.

Foley was appointed an international representative in 1952, elected a vice president in 1954 and made Ontario area director a year later. In 1964, Foley became Canadian co-director, serving in that post until being named Canadian director in 1971. He was appointed assistant to the UTW president in 1974 and four years later selected to fill out an unexpired term as secretary-treasurer. He was elected to full four-year terms in 1980 and 1984.

Foley is survived by his wife Elizabeth and five sons. Funeral services were held July 5 at St. Margaret Mary Catholic Church in Hamilton, Ont.



AFT President Albert Shanker spells out plan for "specialty-certified" teachers for 1,500 union members at three-day conference.

## Shanker asks 'certification' for outstanding teachers

Teachers should be certified by professional boards and paid for achieving superior status, just as doctors or accountants are certified in specialty areas, Teachers President Albert Shanker proposed.

Shanker outlined the certification plan during the union's conference on "New Visions of Teaching and Schooling," a three-day meeting of 1,500 classroom teachers in the nation's capital to discuss education issues and programs.

Independent review boards of professionals from such specialized fields as math, science, and languages would set standards and requirements for certification of outstanding teachers. Those teachers earning the extra credentials would be paid at higher salaries than non-certified teachers.

Shanker said the voluntary program would eliminate the arbitrariness of current merit-pay plans, under which school boards and administrators decide which teachers receive higher pay. The certification system would end the "competition and demoralization among teachers that have been hazards of merit pay plans up to now," he said.

### An optional goal

All teachers would be eligible to work for board certification, and Shanker estimated that 20 percent of the nation's teachers would become board-certified.

"Most people in this country believe hard work and better work ought to be rewarded," Shanker observed, "and opposing this makes us look like we are not interested in quality. So we ought to think about ways of handling the issue while avoiding the pitfalls."

Shanker credited the concept of teacher board certification to Myron Lieberman, currently a visiting professor at Ohio University, who originally proposed the plan in 1959.

On teacher testing, Shanker said the union is opposed to the idea of testing experienced classroom teachers, but will continue to study the issue. He suggested all professionals should be retested periodically, but said the union would not support singling out teachers for such review.

"We should admit that this is not an issue in which either side is absolutely right," he said. "It is a tragic situation where no matter what is done, there will be some wrong."

Shanker pointed out that the Arkansas practice of testing experienced teachers raises some difficult questions, such as whether to fire someone who has been teaching for 15 years with satisfactory ratings but who fails the state test or to permit that teacher "to be imposed on children for another 15 years." Shanker said he was sympathetic to both views, adding that if the teacher was fired, the supervisor who hired and kept the teacher on "should be out, too."

Shanker called for an end to "out-of-license teaching," where teachers are often called on to teach subjects other than those they have specialized in. He pointed out that hundreds of thousands of teachers are involved in the practice, working in areas other than those they are certified to teach. He questioned whether a school district could assign a teacher to another subject and then fairly evaluate or test that teacher's abilities.

"The whole emphasis on quality of education will be lost, and efforts to make teaching a genuine profession will be destroyed unless the practice of out-of-license teaching is prohibited," Shanker concluded.

## Maritime unions seek legislation on bilateral pacts

Legislation is needed to create bilateral shipping agreements between the United States and Japan to help resolve America's worsening trade imbalance, maritime unions told Congress.

Implementation of such agreements would be a "forceful" way of convincing Japan that the U.S. is serious about correcting the imbalance, President Frank Drozak of the federation's Maritime Trades Dept. testified.

There now are no bilateral shipping agreements between the two nations.

Drozak told the Senate Subcommittee on East Asian Pacific Affairs orderly agreements also would keep Japan from taking retaliatory actions of its own.

Drozak, who is also president of the Seafarers, said that "our trade with Japan is seriously out of balance," that things have become so serious that the economic relationship between the two countries is "beginning to resemble a developing country's relation with the developed world."

The U.S. trade deficit with Japan—larger than that with any other country—is expected to hit $50 billion this year.

Japan systematically deprives American companies of any meaningful way of competing in its markets, Drozak observed. At the same time, it protects and subsidizes its merchant marine.

Meanwhile, Drozak said, the U.S.-flag fleet is expected to operate and survive on a commercial basis, even though it is faced with competition that is supported "with all the resources at the disposal of a national government."

# Labor, Urban League renew alliance

Despite the Reagan Administration's best efforts to thwart the long-time goals of the civil rights movement, the fight for justice and equality for the nation's blacks will go on, AFL-CIO President Lane Kirkland said in an address to the National Urban League's 75th anniversary conference.

"And long after the errors and aberrations of the last five years have faded from memory, there will still be an Urban League and a labor movement summoning the nation to its highest ideals," Kirkland said.

"Together, we shall overcome again. In your 75 years, as in labor's 104, we have seen administrations come and go. We have seen the political pendulum swing from compassion to indifference, from progress to reaction, from tolerance to meanspiritedness—and then back again.

"Democracy contains the mechanisms of self-correction."

Ever since its founding, Kirkland observed, the Urban League has had an ally in organized labor. That's because the goals of the two organizations have been, and remain similar, he said.

"The American labor movement, after all, stands for workers...and the Urban League has always recognized that jobs are the great imperative in the struggle to achieve civil rights. Without jobs, all of the other promises of equality are hollow.

### Unequal opportunity

"If you cannot afford to send your kids to school—or if they cannot find jobs when they graduate—then the concept of equal educational opportunities is a sham.

"If you cannot afford to buy a home, then the promise of equal housing opportunities remains unrealized.

"If you cannot afford to eat in a restaurant, sleep in a motel, go to the movies or enjoy any of the other simple pleasures of life, then the right of equal access to public accommodations is an abstraction."

Following the legislative victories on civil rights in the 1960s, the AFL-CIO and the Urban League teamed up to achieve many important goals for black workers, Kirkland noted. And for 20 years, the two organizations had another partner in the U.S. government, he recalled, as the Labor Department funded numerous projects supported by both the Urban League and the AFL-CIO.

For the past five years, Kirkland observed, "the Reagan Administration has worked systematically to thwart the long-time goals of the Urban League and reverse generations of progress toward fairness in daily life.

"We know we have our work cut out for us, and we will not shrink from it."

# South Africa crackdown stirs outrage

The AFL-CIO joined other free world labor organizations in condemning the South African government's imposition of a state of emergency, warning that such action can only serve to provoke further violence.

"The unleashing of what amounts to a state of martial law is the most extreme violation of all basic rights of the black people since the tragic days of the Sharpesville massacre of 1960," Federation President Lane Kirkland declared.

"The arrests and detention of hundreds of blacks and the unleashing of assassination and violence by the police forces are a great setback to all those who are seeking to attain reform and change through peaceful, nonviolent means."

The regime of Prime Minister Pieter W. Botha imposed emergency rule July 20 after months of unrest in the black urban townships, where the racist policy of apartheid has been particularly oppressive in depriving blacks of their basic human rights. Some 500 people have died during outbreaks of violence in the past 10 months.

More than 650 persons were detained without charge in the first four days of the state of emergency, while at least 60 others were charged with criminal offenses.

### Sketchy information

The Brussels-based International Confederation of Free Trade Unions, with which the AFL-CIO is affiliated, has been in contact with black trade union leaders in South Africa, and said some leaders of the Motor Assembly Components Workers Union were among those arrested, but provided no further details.

In his statement, Kirkland called on the Reagan Administration to seek global action to bring about an immediate dialogue between the Botha regime and peaceful forces in South Africa who want to "end the cruel, unjust and violent system of apartheid."

The ICFTU urged all its affiliates to apply renewed efforts to implement its action program to end apartheid adopted at the ICFTU executive board meeting in Washington in April.

The ICFTU program calls for economic sanctions, including disinvestment in South Africa, if the regime keeps on with its racist policies.

# Jack Werff dies at 57, AFL-CIO organizer

Covington, Ky.—Jack G. Werff, the AFL-CIO representative for Kentucky, died July 21 at his home. He had been hospitalized recently for a heart condition.

Werff, who was 57, had been on the federation's organizing staff for 18 years. Earlier, he served as president of Brewery Workers Local 12. Werff also was one of the first coordinators of the AFL-CIO's grassroots Legislative Action Committee.

Federation President Lane Kirkland and Sec.-Treas. Thomas R. Donahue expressed their deep regrets in a message to Werff's family. "He served his fellow workers and the entire labor movement with dedication and distinction," Kirkland and Donahue said.

Werff is survived by his wife Betty, two children and two grandchildren. Services are to be held July 27 at St. John's Church in Covington.




Delegates caucus at the Communications Workers convention.

# CWA urges more research by government on VDT risks

San Francisco—Delegates to the Communications Workers convention voiced deep concerns about unsafe working conditions in the "high tech" industry and took major steps to further restructure the union.

Underscoring the safety issues, newly elected President Morton Bahr called on the federal government to conduct more detailed research on the health effects of video display terminals (VDTs).

The CWA immediately filed a request for a VDT investigation with the National Institute for Occupational Safety & Health.

Bahr noted that a study of some 1,000 VDT users in North Carolina detected an "alarming new finding" that large numbers of VDT users complained of chest pains. The study was conducted by several CWA locals and the N.C. Occupational Safety & Health Project among CWA members in the telecommunications industry.

A convention resolution called for strong federal standards to inform workers of job hazards and adequate funding to maintain healthy workplaces.

### Right-to-know

"CWA will commit itself to educate its members and their communities on the deadly waste of the 'high tech' industry and the Reagan Administration's refusal to take responsible action to protect our future. In addition, we encourage CWA leaders at all levels of our membership to become involved and to actively participate in the initiation and successful completion of worker and community 'right-to-know' laws."

In another action, delegates reduced the number of CWA geographical districts from 13 to eight, more closely tailored to the seven regional operating companies of the former Bell System; eliminated five non-voting national director positions, and created two new vice president positions. All the changes are to be implemented at CWA's 1986 convention next April in Washington.

Elections for national officers, except Bahr, Sec.-Treas. James B. Booe and Executive Vice President Barbara J. Easterling, will be conducted at next year's convention. Bahr, Booe and Easterling were elected to four-year terms, running into 1989.

The new positions are for a telecommunications vice president, replacing the union's independent telephone national director, and a public workers vice president, replacing a national director in charge of public workers. Other national director titles being eliminated are Western Electric sales, Western Electric installation and Western Electric manufacturing. The work of Western Electric, a remnant of the pre-divestiture Bell System, has been absorbed by AT&T Technologies.

### Companies in flight

Bahr called a recent AT&T decision to produce residential telephones in Singapore "symptomatic of the national problem caused by so many U.S.-based companies that are trying to cut their production costs by going overseas."

He said that "negotiating stronger employment security arrangements will become an even higher priority in bargaining with AT&T" in 1986 as a result of the company's decision.

In other resolutions, delegates:

- Designated Glenn E. Watts president emeritus and Louis B. Knecht secretary-treasurer emeritus. Watts and Knecht stepped down at the convention.
- Called for stiff sanctions against South Africa to end apartheid.
- Urged CWA locals to organize "Stop Hunger Days" on behalf of persons starving in Africa and the United States.

# Labor-backed bills advance, line veto stalls

**Continued from Page 1**

90-day advance warning of a plant closing or major permanent layoff under the closing bill approved by the committee.

If workers were represented by a union, the firm would have to provide information relevant to the decision to close the plant and discuss options for keeping it open.

The committee approved the bill, 20-12, after rejecting weakening amendments.

Committee Republicans sought in vain to defer action pending a study of plant closings Labor Sec. William E. Brock has said he will initiate.

Rep. William Ford (D-Mich.) said in response to the delaying proposal that he first introduced a plant closing bill in 1974 and "I don't think we are rushing to judgment" on the issue.

In the Senate battle over President Reagan's request for line-item veto power, a Republican-led filibuster kept the bill from being called up. Three attempts to muster the 60 votes needed to invoke cloture fell short, despite phone calls from Reagan.

Senate Majority Leader Robert Dole (R-Kan.) then set the bill aside. Appropriations Committee Chairman Mark O. Hatfield (R-Ore.), who had led the filibuster, said the bill was "one of the most dangerous proposals to come before the Senate, in terms of the constitutional balance between Congress and the President."

It would have allowed the President to veto portions of an appropriations bill, while allowing other provisions to become law.

# ILO delegates elect France's Oechslin

Geneva—French employer delegate Jean-Jacques Oechslin has been elected to chair the International Labor Organization's Governing Body for the next 12 months.

Oechslin becomes the first employer delegate to head the Governing Body since it was founded in 1919. Traditionally, the post has gone to a government delegate. Canadian worker delegate Joe Morris was the only previous non-government chairman when he headed the Governing Body in 1977.

"The appointment of Oechslin underlines the essential triparite character of the ILO," a spokesman said.

# Connecticut labor registers key gains in state legislation

Hartford, Conn.—The Connecticut AFL-CIO won a number of legislative gains during the 1985 session of the state General Assembly while thwarting the anti-worker intent of a slew of regressive bills.

The state federation aided in the passage of a bill to increase from 90 to 120 days the term of company-paid health and medical insurance coverage for workers affected by plant closings or relocation.

Betty Tianti, the State AFL-CIO lobbyist, noted that the measure also provides for an $8-million trust fund to help subsidize the interest payments on loans for employee or union purchase of plants about to be closed or relocated.

Another bill passed by the General Assembly calls for establishment of a "Fund for Excellence" to help local school systems raise teachers' salaries. Job sharing for teachers will be permitted under a new law that allows more flexibility for teachers without losing benefits, pensions or tenure.

A key health and safety measure is an asbestos removal law that requires identification and safe removal of asbestos from public schools to reduce the risk to students, teachers and other employees. The state will pay an average 60 percent of the removal costs.

Although there was an increase in the threshold value for contracts covered by the state's little Davis-Bacon law to $200,000 for new construction and $50,000 for renovations, the enforcement staff will be expanded by the addition of two officers, Tianti said.

The state AFL-CIO also lobbied for the new program that will pay half the cost of prescription drugs for the elderly with annual incomes under $12,000 for couples and $9,000 for single persons. The only requirment is payment of a $15 annual registration fee.

The anti-worker bills that were sidetracked due in part to the efforts of the State AFL-CIO were measures to repeal binding arbitration for municipal employees, cut the prevailing wage rates on public construction, outlaw union shop contracts, exclude more state workers from collective bargaining, and repeal heart and hypertension benefits for fire fighters and police.

# *Schedule of Labor Studies Center courses*

The George Meany Center for Labor Studies will offer five institutes and workshops during August and September. The schedule:

**Arbitration Techniques: Preparation & Presentation,** Aug. 4-9—An institute on the presentation of grievance cases. The exercises, including mock cases to be heard by professional arbitrators, will be videotaped.

**Newswriting & Editing for Union Publications,** Aug. 11-16—A workshop for editors and would-be editors on the basics of producing union publications; cosponsored by the International Labor Communications Association.

**Standards of Discipline & Discharge in Arbitration,** Aug. 25-29—Participants will hear from arbitrators on standards of proof and the concept of "just cause" and will examine case studies on alcohol and drug-related misconduct and off-duty misconduct.

**Television: The Cool Medium,** Sept. 3-6—A three-day coaching session for union officers on working with TV reporters before video cameras.

**Organizing Techniques,** Sept. 22-27—A short course covering the main steps in organizing drives: selecting targets, picking in-plant committees, making house calls, identifying winning issues, and countering employer opposition.

AFL-CIO affiliates using the center's facilities for their own staff training programs are the Communications Workers, Aug. 4-9, 11-16, 11-30 and 18-23; Railway & Airline Clerks, Aug. 9, and Carpenters, Aug. 18-23.

The American Institute for Free Labor Development will bring 40 trade union leaders from Central and South America to the campus Aug. 18 for five weeks to study political theories and advanced labor organizing techniques.

More information on these and other labor studies programs is available from Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Tel. 301/431-6400.

# EDITORIALS

## Time for Action

CONGRESS IS showing welcome signs of recognizing that a stronger remedy than finger-wagging is needed to make foreign trade once again a two-way street.

The awakening comes none too soon. The real test, however, will be whether it leads to effective legislative action.

Predatory trade practices and the exaggerated exchange value of the dollar have taken a heavy toll on the U.S. economy. Entire industries have been decimated. An unemployment rate that has stayed above 7 percent throughout a period of economic recovery testifies to the permanence of the job loss.

Last spring, Congress responded to the out-of-control trade deficit with tough talk, but no stick.

The Senate passed, 92-0, a non-binding resolution urging President Reagan to impose tariffs and quotas if the Japanese did not offset their increased auto shipments to the United States by buying more U.S. goods.

Not to be outdone, the House voted 394-19 for its own non-binding resolution. It asked the President to ''take all appropriate action'' to get Japan to end unfair trade practices.

Since then, of course, the trade imbalance has worsened.

THE NATIONS that have taken advantage of America's naive free market policy long ago learned they have nothing to fear from periodic lecturing by Congress, or from the Reagan Administration's ''quiet diplomacy.''

So it's good news that leading Democrats in the House and Senate have introduced legislation to require, not just request, the President to curb imports from countries whose policies helped cause our trade deficit. It would be even better news if a significant number of Republicans signed on as co-sponsors.

Likewise, it is good news that Senate Republicans are bringing up legislation that would put some teeth in the non-binding resolution adopted in March. Democrats should support it with the same unanimity given to the earlier measure.

Neither of these measures should be used as an excuse to delay pending legislation to deal with specific trade problems—such as the widely acknowledged need to strengthen the Multifiber Arrangement limiting imports of apparel and textiles. When something doesn't work, it should be fixed. By co-sponsoring the bill, a majority of the Senate and nearly two-thirds of the House have attested to the need for repair.

Nor should Congress delay legislation to continue the trade adjustment program the White House wants to end. Retraining assistance for workers whose jobs have been wiped out by imports is needed as much as ever.

If Congress succeeds in turning around America's trade deficit, it will be less needed. But you don't jettison the lifejackets while the ship is sinking.

## More Than Words

SOUTH AFRICA has again resorted to prisons and bullets to perpetuate the evil system of apartheid, and the democratic world must this time respond with more than words of rebuke.

Nearly two months ago, the House of Representatives voted to ban U.S. business investment in South Africa and impose other economic sanctions that would be lifted when the dismantling of racial oppression takes place.

The Senate adopted a milder version, merely holding out the prospect of future sanctions. But even that was a step beyond the ''quiet'' but clearly ineffective diplomacy the Administration prefers.

To its credit, France has taken the lead by imposing meaningful economic sanctions on South Africa, comparable to those voted by the House. It has also brought the issue before the UN Security Council, and here the United States government should and must declare its support.

It is up to the civilized nations of the world to bring effective pressure on South Africa's ruling minority to negotiate with—not imprison—those democratic forces that are seeking a peaceful route to freedom.

When it comes to human rights, the United States should be in the forefront, not bringing up the rear.




**Washington Window**

# Right to know of risks a true life or death issue

**By Press Associates, Inc.**

Last fall, it was disclosed that the federal government had identified 249 plants and mines in 42 states where some 250,000 workers face increased risks of cancer, heart disease, reproductive damage and other illnesses because of their exposure to hazardous substances on the job.

Revealed through a Freedom of Information Act request made by the Public Citizen Health Research Group, the information had been collected by the National Institute for Occupational Safety & Health, part of the Centers for Disease Control, over the past 15 years.

Internal agency documents showed that the CDC concluded in 1983 that NIOSH had no legal obligation to inform those workers of the health risks, but ''NIOSH does have an ethical obligation'' to notify them. However, a NIOSH request for funds for a notification program was denied by the Reagan Administration.

The cruelty of this decision is demonstrated by a 1981 pilot notification project involving the Augusta Chemical Co. in Georgia and exposure of workers to betanaphthylamine (BNA), which is known to cause bladder cancer.

NIOSH used social security and Internal Revenue Service records to locate most of the plant's workers and conducted a health screening. Thirteen out of 586 workers tested were found to have bladder cancer, and the tests of 26 other workers were highly suggestive of precancerous conditions. These rates were far above normal.

### Workers unaware

A published study of the project also showed that 42 percent of the workers who were notified had never heard of BNA, and 74 percent were unaware that BNA is harmful. Of the 26 percent who did know that BNA is harmful, most learned about it only after they developed symptoms of cancer, such as blood in their urine.

Because of the Reagan Administration's refusal to act, Representatives Joseph Gaydos (D-Pa.) and Augustus Hawkins (D-Calif.) introduced legislation that would establish a federal identification, notification, medical screening and research program for workers at high disease risk from toxic exposures on the job.

Testifying before a joint hearing on the bill held by the House Subcommittees on Health & Safety and Labor Standards, Rubber Workers President Milan Stone cited examples of the huge worker populations potentially exposed to cancer-causing and other disease-producing substances:

- 3 million workers exposed to benzene with a risk of leukemia up to five times greater than normal.
- 2.5 million workers exposed to asbestos, many with a risk of lung cancer five times greater than normal.
- 1.5 million workers exposed to arsenic, many with a lung cancer risk two to five times greater than normal.
- 1.4 million workers exposed to nickel, some with a risk of cancer five to 10 times greater than normal.
- 1 million women of childbearing age exposed to chemicals that cause miscarriage and birth defects.

Such exposures ''take a terrible toll on American workers,'' Stone said, with an estimated 100,000 deaths and 1 million disabilities each year from occupational disease.

Stone and others testifying before the panel—Oil, Chemical & Atomic Workers President Joseph Misbrener, Sierra Club Chairman Michael McCloskey, AFL-CIO Industrial Union Dept. President Howard Samuel and job disease expert Dr. Irving Selikoff of Mt. Sinai Hospital in New York—stressed that workers have a fundamental right to know that they are at high risk of disease from occupational exposure to toxics.

The Gaydos-Hawkins bill is not a panacea for the ever-growing problem of occupational disease, but it is a moral step in the right direction.

As Dr. Selikoff told the House panel, ''whether we inform people of risks can ultimately be thought of as a decision that will determine, in many cases, whether people will live or die.''

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Sol C. Chaikin
Charles H. Pillard
Alvin E. Heaps
John DeConcini
Joyce D. Miller
James E. Hatfield
Vincent R. Sombrotto
Marvin J. Boede
Owen Bieber
Thomas W. Gleason
Albert Shanker
Edward T. Hanley
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John J. Sweeney
Barbara Hutchinson
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Patrick J. Campbell
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Frederick O'Neal
Glenn E. Watts
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Robert F. Goss
Frank Drozak
Richard I. Kilroy
William H. Bywater
Kenneth J. Brown
Lynn R. Williams



Unemployed shoeworker Jeanne Hebert describes dire impact of imports at Washington vigil.

# Import-clobbered shoeworkers press Reagan on needed remedy

**By James M. Shevis**

America's shoeworkers appealed to President Reagan to save their jobs by imposing quotas to cut back footwear imports that are destroying the domestic industry.

From around the country, their representatives gathered at a "Shoeworkers' Vigil" in Lafayette Park just across from the White House in an attempt to convince Reagan that a strong remedy is needed to prevent yet another American industry from going down the tube.

Shoeworkers from 38 footwear-producing states—some still employed, others laid off—read the names of over 100,000 workers who had signed petitions to the President asking him to approve the International Trade Commission's June recommendation for quotas on shoe imports.

The petitions were collected from shoe manufacturers and suppliers and their workers during the past year. They filled 15 U.S mail sacks, and took two days to read.

At a press conference, Legislative Director Arnold Mayer of the Food & Commercial Workers stressed that, "The facts are clear in this case. Imports have hurt the industry. Thousands of workers have been put out of jobs, their communities suffer.

"The ITC has said what needs to be done. The answers are clear. We appeal to the President to do what needs to be done. It will prevent further misery."

### 'Give us a chance'

Jeanne Hebert, an unemployed shoeworker from Livermore, Me., who testified earlier at ITC hearings on the industry, asked the President to "put a halt to this flood of imports and give us a chance to survive."

Hebert said that in Maine, where the shoe industry is second only to paper, 16 shoe factories have closed since 1980, four this year already. The closings have put 57,000 people out of work, and created modern-day ghost towns, she said.

Quenten Youngblood, a shoeworker from Brockton, Mass., said that the industry is down but not out in Massachusetts, which once was a leader in shoemaking.

"We're not the Titanic. We're more like the Queen Mary that's been turned into a museum," he said. "We don't want the shoe industry to be a museum."

After reading the cards with the names of the petitioners, the workers dropped them into a giant shoe box to be delivered to the President.

Joseph Huighe, who heads the shoe division of the Clothing & Textile Workers, warned that American shoeworkers are fighting for their survival.

"There are no new jobs to be had in most cases and the factory closings hurt the whole community as jobs are lost because other shops and businesses also close," he said.

In May, the ITC unanimously ruled that the domestic footwear industry and its workers have been seriously injured by imported footwear. In June, the agency recommended that the President impose five years of quotas on the imports to allow time to install needed new technology to compete with the low priced foreign footwear.

Reagan has until Sept. 1 to accept, modify or reject the ITC's recommendation. If approved, it would take effect in 15 days.

Increased imports have caused the domestic footwear industry problems since 1968, but the situation has considerably worsened in the past four years.

In 1981, imports controlled 51 percent of the U.S. market. The Footwear Industries of America estimates the share today is almost 80 percent.

The ITC's remedy would limit imported nonrubber footwear with a customs value of $2.50 or more to 474-million pairs a year for the next two years. The ceiling would be lifted by 3-percent increments over the next three years so that total imports would be no more than 564-million pairs in early 1990.

George Langstaff, president of the Footwear Industries of America, estimated the quotas would create 60,000 jobs in the first three years.

# Dotson ally Robert Hunter plans to leave Labor Board

Robert P. Hunter, the senior member of the National Labor Relations Board, announced he will retire when his term expires Aug. 27.

Hunter, who has been a close ally of conservative NLRB Chairman Donald L. Dotson, figured in nearly all of the major board decisions reversing longstanding policies protecting workers and their unions over the past 22 months.

Hunter said he will join the Washington office of the New York law firm of Proskauer, Rose, Goetz & Mendelsohn. He came to the board in 1981 after serving as a key aide to Sen. Orrin G. Hatch (R-Utah) on the staff of the Senate Labor & Human Resources Committee.

Hunter's departure leaves two Republicans and two Democrats on the board. Those of the GOP stripe are Dotson and newcomer Wilford W. Johansen, a career NLRB attorney who was sworn in as a member on May 28. Democratic members are Patricia Diaz Dennis and another new arrival, Marshall Babson, who was sworn in July 1.

The latter two, along with Dotson, were management labor relations attorneys before coming to the board.

Since late 1983, when the Reagan-appointed majority took hold of the agency, the board has assumed what organized labor sees as a strong pro-management tilt. Also, the board amassed a record backlog of cases involving unfair labor practices, a situation that has lessened somewhat in recent months.

For long periods over the past two years, the board had only three or four members because of White House delays in filling vacancies, and this contributed to the backlog.

# Georgine hits proposals for tax on benefits

Proposals to tax worker health benefits don't make sense either as social policy or in terms of budget reduction, Robert A. Georgine charged at House and Senate hearings on the Administration's tax proposals.

Georgine, who is president of the AFL-CIO Building & Construction Trades Dept., testified in opposition to a tax on benefits as chairman of the National Coordinating Committee for Multiemployer Plans. More than 8 million workers are covered by pension and welfare plans funded by a number of employers.

His criticism was aimed at both the Treasury Dept.'s original proposal to make workers pay taxes on the value of any health insurance coverage provided by their employer in excess of a specified amount, and the revised "tax reform" plan that President Reagan sent to Congress. The plan Reagan embraced would tax all workers on the first $25-a-month that an employer pays for family health insurance (the first $10-a-month for single-individual coverage) but allow higher amounts go untaxed.

Georgine's testimony before the House Ways & Means Committee and the Senate Finance Committee urged rejection of both the "cap" and the "floor" concepts.

### Divisive proposal

However framed, he said, a health benefits tax amounts to an additional tax on workers. It would weaken the concept of health insurance by discouraging participation of younger and healthier workers, pitting their concerns against those of workers with families and older workers or retirees.

Lower-income workers would suffer under both a cap and a floor, Georgine noted. A cap on benefits would discourage comprehensive coverage such as dental care, preventive checkups, eye care and prescription drug programs. And taxing everyone on the same dollar amount of benefits would amount to a larger proportionate burden on persons with the least adequate insurance plans, many of whom are in low-wage industries.

Health benefits serve important social purposes, Georgine stressed.

"Without them," he testified, "there would be increased pressure for new and expanded government programs which would cost far more than the revenue collected through the taxation of private sector benefits."

### Provide incentive

Tax laws should encourage the private sector to provide such benefits, Georgine urged. Any attempt to tax benefits would be recognized by workers as a revenue-raising measure at their expense that is neither "fair" for a tax "reform," Georgine testified.

Congress recognized the importance of employee benefit programs to society by encouraging their development through favorable tax treatment, Georgine stressed.

Now, 80 percent of all workers are covered by employer-provided health insurance and term life insurance coverage is "nearly universal," Georgine said. American workers and their families rely on these benefits, he pointed out.

# *Tearup of contract forces Steelworkers to picket line*

**Continued from Page 1**

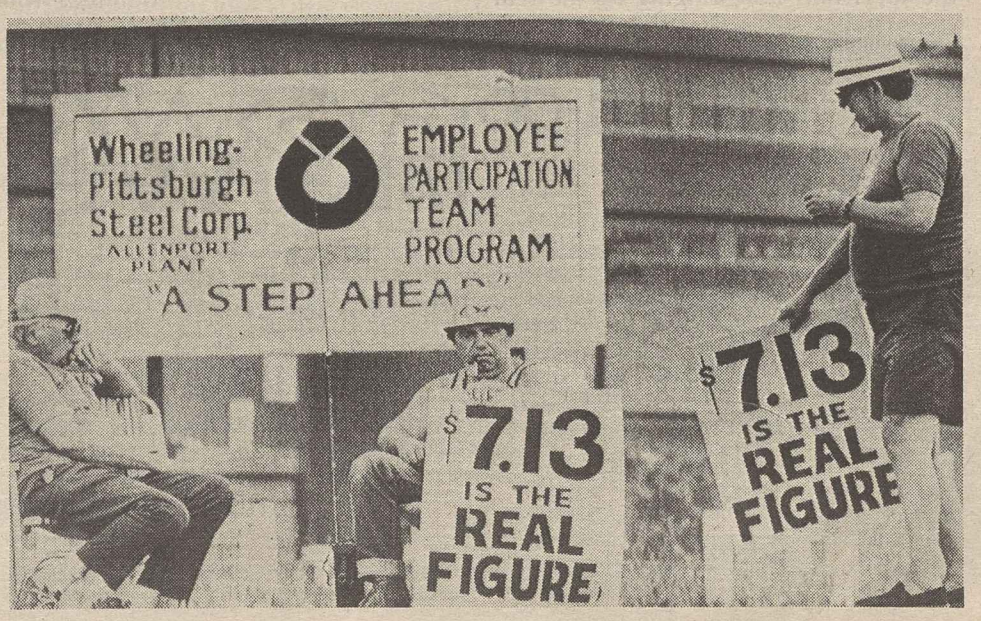
In the last three rounds of bargaining, USWA members granted concessions to Wheeling-Pittsburgh totaling more than $120 million. The union estimates that the company's new package of concessions would cost the workers about $75 million a year more in lost wages and benefits.

Besides that, new working conditions sought by the company would cut vacations by two weeks, trim one holiday, allow contracting out of work, eliminate seniority, end the grievance procedure, slash incentive and premium pay, and boost the cost of medical insurance deductibles and premiums to as much as $4,000 per worker.

Paul M. Rusen, the union's chief negotiator, told a crowd of 3,500 cheering union family members in a packed Steubenville, Ohio, arena, "We are ready for this war. . . . I look for a long work stoppage."

Wages and benefits at W-P totaled $21.40 per hour under the USWA contract which was not due to expire until July 31, 1986. The company claims it is cutting the package to $17.50 per hour. The USWA, however, says the true figure is $15.55 per hour and that the minimum pay rate will be about $7 per hour.

The company has repeatedly rejected efforts by the union to reach an equitable settlement of the dispute, including an offer of a $2 per hour cut in wages and benefits. W-P insisted that was not enough.




Steelworkers picket Wheeling-Pittsburgh's Allenport, Pa., plant.

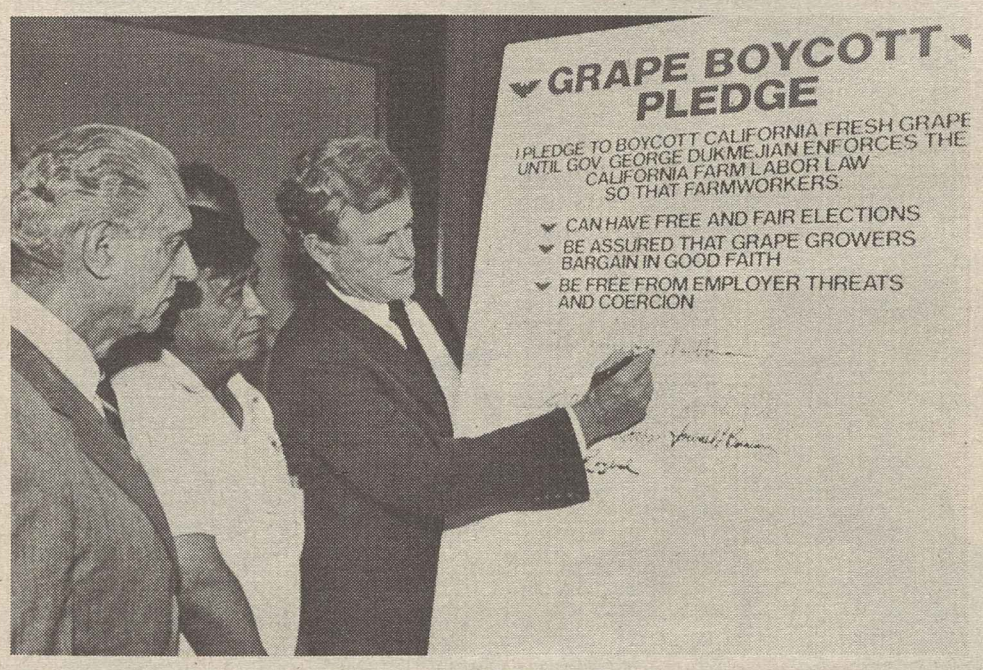
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AUGUST 3, 1985

The American Federationist

PAGE 5

# Trade deficit continues surge




**Support for Farm Workers**

On Capitol Hill, Farm Workers President Cesar Chavez gets signatures of Sen. Edward M. Kennedy (D-Mass.) and Rep. Edward R. Roybal (D-Calif.), left, on pledge to boycott non-union California grapes until Gov. George Deukmejian enforces California's law guaranteeing collective bargaining rights for agricultural workers.

## *Labor urges 'strong steps' to defend U.S. industry, jobs*

**By David L. Perlman**

America's job-destroying trade deficit continued its sharp rise and the AFL-CIO warned of "tragic consequences" for the nation if the trend is not reversed.

The trade figures for June—showing imports exceeding exports by $13.4 billion—sent shock waves through Capitol Hill and built pressure for legislative relief. June's deficit was the second highest ever recorded.

Most of the merchandise trade deficit stems from the flood of manufactured imports that have swamped U.S. markets with the help of an overvalued dollar. The dollar exchange rate, still higher than a year ago despite its recent drop, makes U.S. exports more costly and makes imports cheaper.

The trade deficit for manufactured goods during the first half of 1985 was 27 percent above the 1984 pace, and is expected to end the year at close to $110 billion.

AFL-CIO Research Director Rudy Oswald linked the manufacturing sector deficit to the decline of 220,000 U.S. manufacturing jobs during the first six months of this year. Despite a growth in population and in the number of people seeking jobs, manufacturing employment is less than when President Reagan took office. In 1980, the United States sold more manufactured goods to other countries than it imported.

The imbalance with Japan remained the largest single element in the overall U.S. trade deficit. It amounted to $4.7 billion in June, a pace substantially higher than the 1984 total. Total imports from Japan have risen 83 percent since 1980.

### Repeat performance

Against this backdrop, there was little applause and considerable cynicism in Congress at Japan's announcement of a new three-year "action program" to open up that country's markets to foreign producers.

It is the sixth time since 1981 that Japan has announced steps to reduce its huge trade surplus with other countries, but the imbalance has continued to grow.

When Congress returns from its recess in September, House hearings are likely on the trade bill introduced by leading Democrats, including Ways & Means Committee Chairman Dan Rostenkowski (Ill.). It would set timetables for nations that have been flooding the U.S. market to reduce their trade surplus or face a 25 percent tariff penalty. And the Senate is expected to take up a measure to impose import restrictions if the Japanese don't offset increased auto sales to the U.S. with a corresponding rise in goods purchased from this country.

Also ready for congressional action is bipartisan legislation to tighten existing limitations on imports of apparels and textiles.

Oswald's comments on the trade deficit stressed the need for government action, which the White House has continued to resist.

"The unwillingness of the Reagan Administration to take strong steps to defend U.S. industry and workers has had tragic consequences for the domestic economy," Oswald said.

He warned of the "serious threat to future economic growth and social progress," and

**Continued on Page 4**

## *Bhopal chemical deaths preventable, study finds*

**By Arlee C. Green**

The Bhopal chemical plant disaster that killed some 2,600 persons and injured nearly 200,000 last Dec. 3 was preventable and could be repeated elsewhere in the world, including the United States, a 12-member international trade union commission determined.

The commission's 20-page Trade Union Report on Bhopal, released simultaneously in Geneva, New Delhi and Washington, charged that unsafe plant design, dangerous operating procedures, lack of proper maintenance, faulty equipment and deep cuts in personnel levels contributed to the release of the cloud of deadly methyl isocyanate (MIC) over the neighborhoods near the plant.

### Not unique

The report stressed that the causes of the Bhopal accident are not unique to Union Carbide Corp.'s Bhopal plant, but rather are "common to many chemical manufacturing and industrial processes."

The lesson that Americans should learn from that tragic event in India, AFL-CIO President Lane Kirkland said, is that "none of the conditions which led to the disaster would have been violations of specific standards or regulations of the Occupational Safety & Health Administration or the Environmental Protection Agency."

The report "is the most accurate and detailed analysis we are likely to have of what happened in the Bhopal plant and how it came about," Kirkland said.

Margaret Seminario, associate director of the AFL-CIO Dept. of Occupational Safety, Health & Social Security and a member of the commission, told a press briefing on July 30, that U.S. trade unionists must intensify their drive for legislation to force OSHA and EPA to develop regulations aimed at preventing future Bhopals.

The commission made recommendations for governments, chemical manufacturers and importers to follow in order to lessen the possibility of major chemical accidents.

Union Carbide Corp. shortly after Dec. 3 suggested that the Bhopal disaster could have been sabotage and that the union workers were to blame for leaving their workstations.

The commission, sponsored by the International Confederation of Free Trade Unions and the International Federation of Chemical, Energy & General Workers' Unions, ruled out sabotage and found that the workers had acted properly and followed the company's emergency guidelines.

"Our responsibility to our trade union brothers and sisters in India was to find out the causes," Seminario said. "Union Carbide still has not adequately backed off its accusation that the workers are at fault."

There were five chemical accidents at the

**Continued on Page 14**

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8/3/85

**LEGISLATIVE ALERT!**

PAGE 16

## Auto union okays innovative pact for Saturn plant

Chicago—The Auto Workers executive board approved an agreement with General Motors' new subsidiary, Saturn Corp., that includes unprecedented provisions for a salaried workforce with permanent job security and joint union-management decision-making.

The unionized workers will be a "full partner" in the operation of the company, UAW President Owen Bieber declared at a press conference that followed the executive board's 24-1 vote.

"No decision can be made, no action can be taken without agreement by the workers. That is a degree of co-determination never before achieved in U.S. collective bargaining," Bieber said.

The Saturn Corp., which will build a $3.5 billion facility in Spring Hill, Tenn., agreed to operate the plant to mirror in large part the labor-management relationships successfully used in Japan. The plant will be just 35 miles from Nissan Motor Co.'s manufacturing complex in Smyrna, Tenn., where the UAW has been trying to organize 2,000 production workers.

**Continued on Page 4**

## Conferees agree on sanctions to fight South African racism

A House-Senate conference committee agreed on legislation to impose economic sanctions on South Africa, rejecting President Reagan's contention that the United States should rely on quiet diplomacy to bring an end to apartheid.

The compromise bill wasn't as strong as the labor-backed measure the House passed last June. But it reflected a bipartisan consensus that world economic pressure is needed to dismantle government-enforced racial discrimination.

In the United Nations Security Council, the United States had abstained on a resolution urging governments to halt new investments in South Africa. The UN resolution also demanded that South Africa lift its emergency decree and release its political prisoners and detainees.

The House-Senate agreement sent a message that the United States was not abstaining from an international effort to bring economic pressure on South Africa.

The legislation would impose limited sanctions initially—a ban on sale of Krugerrand gold coins in the United States, a curb on bank loans to the South African government, and some sales restrictions. If the Pretoria government failed to make progress toward ending apartheid during the coming year, President Reagan would be required to recommend further sanctions to Congress, including a ban on new private investment by U.S. companies and denial of most-favored-nation trade status.

The AFL-CIO, in a letter from Legislative Director Ray Denison to members of the conference committee, had urged the strongest possible sanctions to register the nation's "outrage" over the wave of arrests and detentions.

**Continued on Page 3**

# Summer fun for city kids

Thanks to the New York City AFL-CIO, some 1,400 children escaped the city heat to enjoy three weeks of summer fun at Camp Wabenaki and Camp Sebago in upstate New York.

The central labor council's summer camp project has been sending kids to camp for 25 years, with donations from affiliated unions offsetting the costs. Three weeks at the Catskills-area camps usually runs $400, but the union program reduced the cost to less than $200 per camper. Families are charged based on their ability to pay.

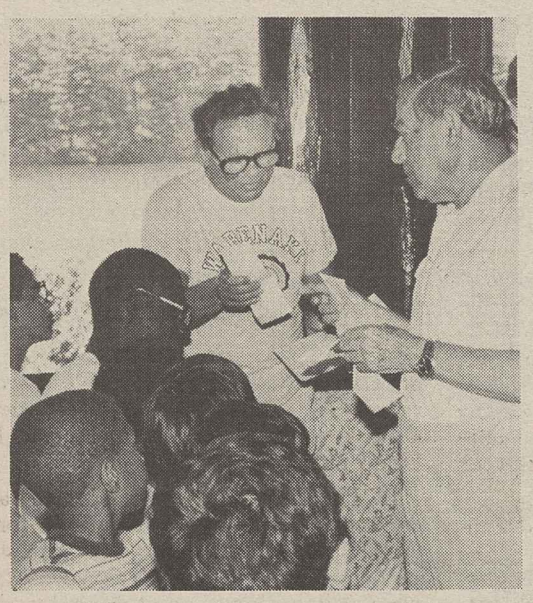
This year, the city federation raised funds to help give a record number of young campers from lower-income families the chance to go swimming and hiking while improving their skills —at computers or at baseball.

Earlier this year, one of the camps was renovated to be accessible to handicapped children.

The camps opened in late June, and a special visitation day was held July 17, when union representatives met with campers and received a tour of the grounds. According to project coordinator Sid Lew, "visitation day really sells the program."




Camp-bound youngster exchanges last-minute goodbyes with her family. Inset: Girls wait eagerly to board bus.





Sam Kovenetsky, chairman of the New York AFL-CIO's camp committee, gives a $2,000 donation to Ralph Hittman, director of Camp Wabenaki. Right, Betty Campbell and Jane Griffin of the Postal Workers and Zoe Myers (seated) of the Hotel Trades Council with campers in the computer room at Camp Sebago.

# *17 unions back Morgan Stanley bid for Conrail*

Seventeen unions belonging to the Railway Labor Executives' Association have endorsed a plan to sell Conrail to a group of investors assembled by Morgan Stanley & Co., an investment banking firm.

At a news conference announcing the RLEA vote, Railway & Airline Clerks President Richard I. Kilroy said the Morgan Stanley purchase plan has "all the ingredients to accomplish our ends" to maintain the federal freight railroad as a separate, whole entity that will not be sold in pieces or merged.

Kilroy, who is executive secretary-treasurer of the RLEA, said that after "exhaustive studies, careful evaluations and extensive negotiations," most of the RLEA's member unions agreed that the Morgan Stanley plan was in the "best interest of everyone concerned"—shippers, communities, the rail industry and the government.

Not signing the agreement in principle with Morgan Stanley were the United Transportation Union and the Yardmasters. The Yardmasters asked for more time to study the agreement, Kilroy said. The UTU is on record as favoring a public offering of Conrail stock, which the Morgan Stanley plan proposes, but has not specifically endorsed any sale plan.

Under the Morgan Stanley plan, a majority interest of Conrail stock would be resold through public offerings within five years. The group would then own more than 40 percent of the company and no single investor would be permitted to own more than 10 percent.

Both Morgan Stanley and the Norfolk Southern Corp., which is the Reagan Administration's preferred bidder, have offered about $1.2 billion for the Government's 85-percent share of Conrail.

## Government deal

Under an agreement reached with the Transportation Dept., Norfolk Southern would completely liquidate the Employee Stock Ownership Plan at a reported price of about $17 a share compared with the $48 a share for the government's stock.

The agreement reached between the rail unions, Conrail management and Morgan Stanley would provide a financial package to union employees valued at $412 million. This includes $200 million in cash benefits and $212 million for the employees' 15-percent share of Conrail stock at about $48 a share.

Morgan Stanley also offered rail labor two seats on the board of directors and provisions under which employees may continue to own at least 15 percent of Conrail.

Kilroy said Morgan Stanley's labor protection provisions made a "significant difference" for Conrail employees.

Taxpayers have invested more than $7 billion in upgrading the freight system salvaged by Congress in 1973 from the ruins of the then-bankrupt Penn Central and other collapsed northeastern railroads.

Conrail Chairman Stanley Crane, who has strongly opposed a Conrail-Norfolk Southern merger, said he is "absolutely delighted" with the RLEA's position. He said the Morgan Stanley plan offers a "practical way" of making a public stock sale.

A major issue for railroad labor is the question of potential job loss if Conrail is merged with Norfolk Southern. Kilroy said the the unions estimated that the adverse effects on Conrail competitors created by such a merger would result in the loss of 10,000 jobs.

Kilroy said the rail unions' agreement should carry "considerable influence" on Capitol Hill, where Congress will have the last word on the sale.

A bipartisan group of legislators has introduced bills in the House and Senate to authorize a Conrail sale to Morgan Stanley's group of 32 investors, which include investment companies, pension funds and universities. The Senate Commerce Committee already has approved a bill to authorize a sale to Norfolk Southern.

# Unions urge ban on 'lie' detectors

The use of polygraphs—so-called lie detectors—should be prohibited in private employment, union witnesses urged at House hearings.

Sec.-Treas. Andrew J. Lutty of the Food & Commercial Workers challenged the scientific reliability of lie detectors and said they are increasingly being used as a means of intimidation.

The point was made also by President Robert F. Harbrant of the AFL-CIO Food & Allied Service Trades Dept. He said the polygraph is "a psychological rubber hose, which has no place in today's workplace."

Their testimony, before the Subcommittee on Employment Opportunities, disputed employer claims that polygraph testing is needed to curb worker theft.

Lutty cited studies showing high error rates in polygraph tests and pointed to the increasing use of the polygraph to ferret out information not related to personal honesty.

He quoted the conclusion of a Privacy Protection Study Commission established by Congress that the use of lie detector devices was an "unreasonable invasion of privacy" that should be banned.

## Legislative efforts

Lutty welcomed the introduction of anti-polygraph legislation by Representatives Patrick Williams (D-Mont.) and Stewart B. McKinney (R-Conn.) and said the UFCW supports the measures "in the strongest possible terms." More than 150 House members have co-sponsored anti-polygraph bills.

Harbrant noted that corporate fraud costs business more than three times the losses claimed from employee pilferage. But "needless to say, you don't find many polygraph examinations being conducted in the corporate boardroom."

Despite the claims of their advocates, Harbrant said, polygraph machines are clearly unreliable. But as a result of their use, "hundreds of thousands of workers are denied employment" and branded as "liars."

He noted that questions asked in polygraph tests have covered such matters as sexual activity and union beliefs.

As a result of "sheer intimidation," Harbrant said, some polygraph tests undoubtedly result in admissions of theft. "But so would the rack, and so would thumb screws," he observed.

The polygraph should be relegated to an "exhibition of medieval horrors" and workers assured of "dignity and self-respect," in their employment, he said.

# Labor assails export of jobs under OPIC

Labor is opposed to extending the life of the Overseas Private Investment Corp. because the program has been a failure, AFL-CIO Research Director Rudy Oswald testified at Senate hearings.

OPIC provides insurance for U.S. multinational companies and banks that invest in various "less developed" nations. Its intended purpose, Oswald noted, is to promote economic and social development abroad while furthering U.S. employment objectives at home.

Instead, he protested, OPIC guarantees have subsidized "the export of jobs, technology and capital."

Since Congress last renewed OPIC's authority, the U.S. merchandise trade deficit has tripled, Oswald stressed. Its further renewal, he warned, will only worsen the nation's economic problems.

### Bar anti-union nations

Oswald expressed the AFL-CIO's concern that many of the countries helped by OPIC guarantees "severely restrict the rights of workers to organize into unions and bargain collectively." He urged the committee to bar such nations from participation if the OPIC program is continued.

A House subcommittee recently approved a bill reauthorizing OPIC, adding what the AFL-CIO considers an overly weak provision dealing with worker rights. It would limit OPIC assistance to countries that are "taking steps to implement labor rights." The AFL-CIO had sought stronger language.

Oswald took sharp exception to one of the bills under consideration by the Senate Foreign Relations subcommittee dealing with OPIC. It would extend insurance coverage to "loss due to business interruption."

Such language could well be interpreted as strike insurance, Oswald protested.

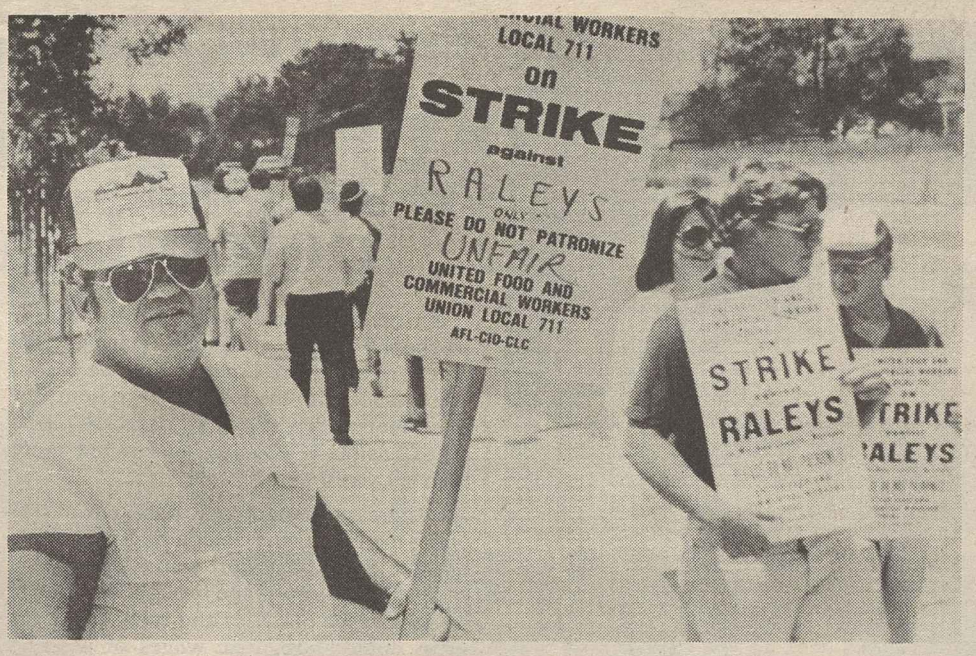
# Upholsterers to vote on merger proposal

Philadelphia—Members of the Upholsterers will vote in September on merger with the Steelworkers.

Although details of the referendum are still being worked out, UIU President John Serembus said the ballots will be cast at either local union halls or at workplaces and will be counted during the week of Oct. 7. Merger would be effective on certification of a majority vote in favor the proposal.

Support for the merger was voted 77-0 on July 15 by the UIU Council of Delegates. A day later, the Steelworkers' executive board also voted unanimous support.

Under the terms of the merger document, the 30,000-member UIU would become the Upholstery & Allied Industries division of the Steelworkers and maintain its headquarters in Philadelphia. The UIU president will become the director of the new division and a member of the USWA executive board.




Nevada's new anti-union law severely restricting picketing is challenged by union members attending the Rocky Mountain Labor School in Reno. They turned out in supposedly "excessive" numbers to help a strike by food store workers protesting management's takeaway pension demands. Police made no arrests but Nevada unions are mounting a court test of the law. State AFL-CIO Executive Sec.-Treas. Blackie Evans is at left.

# Conferees agree on sanctions to fight South African racism

**Continued from Page 1**

It was uncertain whether Congress would complete action on the legislation before starting its month-long summer recess. There was no doubt of the votes to pass the measure. But Sen. Jesse Helms (R-N.C.) was threatening a filibuster, and the White House was clearly anxious for a delay. Reagan's press aide, Larry Speakes, said the Administration has "a number of complaints" about the legislation.

It also appeared touch-and-go whether a House-Senate budget agreement would be reached and put to a vote before the recess.

Earlier, a compromise proposed by Senate Republicans in an attempt to break an impasse was shot down by President Reagan because it included a tax on oil imports as part of a deficit-reduction plan.

Reagan's message to Congress was that the only form of deficit reduction acceptable to the White House would be the demolition of more government programs.

Despite the inability to agree on budget targets, both the House and Senate moved ahead with authorization and appropriations bills that were generally in line with the budget resolutions passed by each of the branches of Congress.

A House-Senate conference agreement on a $302.5 billion Defense Dept. authorization bill came at least temporarily unstuck, however.

### Vote delayed

It provided a defense increase closer to the the Senate figure and substantially higher than the House-passed budget resolution would have allowed. Sharp protests expressed at a House Democratic caucus led to a decision by House leaders to put off the vote on final passage until Congress returns in September.

One of the issues in the conference was Senate-approved provisions that would have eliminated about 95 percent of military construction contracts from Davis-Bacon Act prevailing wage requirements. It would have exempted all contracts under $1 million and written into law the union-opposed regulatory changes the Labor Dept. made in the program.

The Davis-Bacon amendment was dropped by the conferees, but the final version retained a Senate provision repealing the eight-hour day protection of the Walsh-Healey Act, which sets labor standards for government contracts. If it is enacted, contractors would not have to pay overtime rates after eight hours in a day. Their only limitation would be the 40-hour workweek under the wage-hour law.

Scheduled for House action—and anticipated approval—before the start of the recess was a labor-backed bill providing for a pay equity study of the federal workforce to determine whether pay grades are influenced by a predominance of women in certain job categories.

# Craft unions win ruling on Davis-Bacon

The AFL-CIO Building & Construction Trades Dept. hailed a ruling by the Labor Dept.'s Wage Appeals Board that the protections of the Davis-Bacon Act apply to construction of military housing units built off-base by private developers.

The ruling overturned a decision by Wage-Hour Deputy Administrator Herbert J. Cohen that work on 1,400 military housing units to be built near Fort Drum, N.Y., would not be covered by the federal prevailing wage law.

The housing facilities at Fort Drum are to be built under a pilot program authorized by Congress last year under which the Defense Dept. may contract with private developers to build family housing units for armed forces personnel on or near military bases, with private financing. The housing units would be leased to the government for up to 20 years, and if the developer subsequently wished to sell the project, the Defense Dept. would have the right of first refusal.

Last February, the BCTD sought a ruling on the application of Davis-Bacon provisions to work on the pilot housing projects authorized under Section 801(g) of the Military Construction Authorization Act of 1984. Cohen ruled that the prevailing wage law would apply on housing facilities built on the military bases, but not on construction of units off the base. He maintained that the off-base housing units could not be considered "public buildings."

### Ruling reversed

The Wage Appeals Board rejected this argument, pointing out that the housing units would be built to Defense Dept. specifications, would be leased exclusively to the government for up to 20 years, and would not otherwise be built. It directed Cohen to issue a wage determination for the Fort Drum project.

BCTD President Robert Georgine called the decision "an important victory" for the building trades. In a letter to presidents of the department's affiliated unions, Georgine noted that the leasing scheme is being viewed in the Defense Dept. as a way to finance other non-housing military construction projects.

# CWA slates 'day of protest' on 'mess' from Bell breakup

The Communications Workers scheduled a national day of protest Aug. 29 against the export and contracting out of union jobs.

CWA President Morton Bahr said local leaders and members throughout the country will be encouraged to participate in the protests, "to alert public opinion to the sorry mess" that has resulted from the breakup of AT&T.

CWA's public worker locals will be urged to focus their protests on contracting-out issues in the public sector on that day, Bahr told reporters at a Washington news conference.

"Those responsible for the divestiture (of the phone company), gave not one moment of thought to what happens the day after," Bahr observed.

He said the protests will be aimed at the seven regional phone companies spun off from the Bell System, as well as at AT&T.

Regional Bell operating companies, Bahr said, are laying off experienced workers and hiring less expensive, less experienced workers to take their place. In other instances, work previously done by employees is being performed by outside contractors.

Bahr said the only "winners" from the breakup of AT&T and the Bell System are lawyers, stockbrokers and "those who want to penetrate the market from overseas." He said the "losers" have included America's telephone users as well as workers represented by CWA and other unions.

Looking back on the way divestiture came about, Bahr said "there is no evidence" that this most massive breakup in the nation "was ever discussed at a Cabinet meeting or with the President."

CWA local activities planned for Aug. 29 will include rallies, informational picketing, and a range of other events to focus public attention on the issue. The day of protest grew out of a resolution adopted at CWA's convention in San Francisco in mid-July.

The convention resolution noted that "the telecommunications industry restructure has afforded our employers the opportunity to establish myriad subsidiaries which often provide virtually the same services as existing operations. Yet these subsidiaries to a great degree remain unorganized.

"Similarly, a great deal of work increasingly is contracted out to non-union, independent providers. This practice also undermines the quality of service that ratepayers expect to receive and that CWA members are proud to provide."

Bahr has also noted that AT&T recently announced plans to close down a manufacturing facility in Shreveport, La., where 1,000 workers are represented by the Electrical Workers. AT&T has said this work will be shipped to Singapore.

# Second thoughts at midyear

**The Reagan Administration conceded that it had been overly optimistic in its economic growth assumptions, but insisted that the economy will pick up substantially during the second half of this year.**

**Beryl W. Sprinkel, chairman of the President's Council of Economic Advisers, issued a statement revising an April estimate of a 3.9 percent growth rate for 1985, dropping the prediction to 3 percent. But to achieve even that rate after the sluggish 1 percent pace of the first six months would require a 5 percent growth for the second half of the year.**

**The Commerce Dept.'s index of leading indicators, used to forecast future economic activity, gave some credence to the Administration's optimism when it showed a 1 percent rise for June, the biggest increase since January. But most economists still view the Administration's growth projection for this year as unrealistically high.**

**The Administration also forecast a steady drop in the unemployment rate for the remainder of 1985. It has been stuck at 7.3 percent in recent months.**

**Both the slow economic growth and the continued high unemployment in the first half of the year have been linked to the rise in imports and a corresponding drop in U.S. manufacturing output.**

# Governor's veto kills Oregon VDT measure

Salem, Ore.—Republican Gov. Victor Atiyeh's veto of the nation's first state law covering the use of video display terminals will not be overridden, State AFL-CIO President Irvin Fletcher predicted.

The bill passed the Senate 24-1, but only cleared the House by a 31-29 margin.

He said a similar bill would be introduced in the next regular legislative session in 1987. Atiyeh's second term expires in January 1987 and he is prohibited by state law from running for a third term.




Fair-tax petitions are delivered by Letter Carriers President Vincent Sombrotto at House Ways & Means Committee hearings.

# Petition drive shows public backs effective corporate tax

Corporations should pay taxes on their income "just like working people," Letter Carriers President Vincent R. Sombrotto urged in testimony before the House Ways & Means Committee.

Sombrotto brought to the hearings fair-tax petitions from 100,000 taxpayers calling on Congress to repeal special-interest loopholes and restore the corporate tax as a significant source of federal revenue.

The petitions were collected by members of the NALC as part of a campaign by a coalition of unions and public-interest groups. The petitions are being circulated by the member organizations of Citizens Organized to Restore an Effective Corporate Tax, in a campaign coordinated in the trade union sector by the AFL-CIO Public Employee Dept.

Sombrotto told the House committee that signatures on the petition were "easy to collect" since Americans are outraged by the fact that profitable corporations can escape virtually all taxation.

### Fair share

In the words of the petition, Sombrotto said, people who pay their taxes in full are saying, "It's time for our largest and most profitable corporations to pay their fair share, too."

Since 1960, Sombrotto noted, the corporate share of taxes has shrunk from 25 percent to 8 percent. He pointed out also that the companies that received the most tax breaks, supposedly to encourage new investment, actually reduced their capital spending on new equipment.

As for the need for special corporate tax breaks to keep U.S. companies competitive, Sombrotto noted that Japan's corporations provide more than 25 percent of that nation's revenue and pay an effective rate of close to 50 percent.

The demand for tax fairness, Sombrotto testified, comes from "all across the country" including "big cities, farm areas and retirement communities."

## U.S. plant for Toyota praised as 'first-step'

Detroit—The Auto Workers called the decision of Japanese firm Toyota to locate production facilities in the U.S. and Canada "a step in the right direction." But UAW President Owen Bieber said the Japanese auto maker should do more given its prominence in the North American market.

"We hope this will be only a first step toward even greater U.S. production in the future," Bieber said. "Toyota owes it to this nation to do more to support American workers and communities with jobs and taxes."

The Japanese firm's projected U.S. sales total for 1985 is nearly 900,000 units. The company announced it would manufacture 200,000 vehicles at a new facility to be built somewhere in the U.S.

Bieber said the UAW has had no formal talks with Toyota regarding representation of the workers at the proposed plant, but it expects the company will be cooperative.

"Our experience with Toyota—which manages the New United Motor Manufacturing, Inc., plant in Fremont, Calif.—and with Mazda provide the basis for a positive and productive relationship in the best interests of the workers, the employer and consumers," Bieber said.

## Employers seek repeal

# Public sector unions defend wage standard

Unions representing public-sector workers charged at Senate hearings that cities and states are exaggerating the cost of compliance with the federal wage-hour law in an attempt to persuade Congress to repeal an extension of coverage it enacted more than 10 years ago.

Congress brought all public workers under the Fair Labor Standards Act in 1974, but the Supreme Court initially upheld a constitutional challenge brought by the National League of Cities and ruled that Congress couldn't regulate wages of workers employed in "traditional" government functions.

But this year, in a case argued by the AFL-CIO, the Supreme Court reversed itself and the extension of coverage finally went into effect in April.

Having lost in the courts, city and state governments that are not in compliance with federal wage-hour standards have been lobbying for repeal of the 1974 extension of coverage.

Their special target is the requirement for time-and-one-half payment for overtime work. And their principal argument has been the financial burden of complying with the law.

Bills to repeal or weaken the 1974 extension of coverage have been introduced in both the House and Senate, and the chairman of the Senate Labor subcommittee holding hearings on the issue, Sen. Don Nickles (R-Okla.), said he intends to sponsor such a bill also.

At hearings before the Nickles subcommittee, the claim of cities and states for a special exemption from wage-hour standards was sharply challenged by a panel of union witnesses representing the AFL-CIO Public Employee Dept., the Service Employees and the Fire Fighters.

Public employers who claim compliance with the law would bankrupt cities and states are just crying wolf, they charged.

Al Bilik, executive director of the PED's state-local division, said complaints of the cost of public-sector coverage are the same that private employers made when Congress adopted the Fair Labor Standards Act in 1938.

### False fears

He noted that private employers then, like state and local employers today, protested to Congress that a floor under wages and a ceiling on hours would cause "insurmountable economic hardships" and compel layoffs.

Any city or state that has higher costs because of the wage-hour law "has in fact been exploiting its workers," Bilik charged, and should "at long last" be required to comply with the law. "Better late than never," he suggested.

The Fire Fighters reminded the Senate panel that the cost of compliance had been thoroughly explored by Congress when it enacted the 1974 FLSA amendments by big majorities in both the House and Senate.

Harold Schaitberger, the union's governmental affairs director, noted that one of the compromises made in the 1974 legislation was the provision that overtime rates would not apply to fire fighters until they had worked more than 212 hours in a four-week period. That limited form of coverage, which many cities now want to abolish entirely, "adequately took into account the financial concerns of local government officials," he testified.

### Exaggerated claims

The Service Employees also took strong exception to cost estimates of compliance with the law.

Peggy Connerton, the SEIU's chief economist, noted that "even before the ink was dry" on the Supreme Court's policy reversal, state and local public officials were raising the specter of "billions of dollars" in extra taxes, layoffs of workers and cutbacks in service. But she cited gross inconsistencies in the cost claims. Under scrutiny, she testified, much of the cost data turns out to bear no resemblance to reality.

Connerton cited an SEIU study showing that the cost of compliance in most jurisdictions would be less than 1 percent of the wage bill. "The only public employers who may face significant costs are those who pay no premium now for overtime work," she testified.

## Wisconsin allots $9 million in pay equity increases

Madison, Wis—The State, County & Municipal Employees won another round in its state-by-state drive for pay equity.

Wisconsin Governor Tony S. Earl (D) approved a $9.1-million appropriation passed by the state legislature and backed by AFSCME, awarding pay equity adjustments to 10,000 workers in female-dominated jobs. The salary adjustments became effective July 1, the start of Wisconsin's fiscal year.

The Wisconsin pay equity action is part of the union's national campaign to end sex-based wage discrimination in the public sector, AFSCME President Gerald W. McEntee said.

The union also announced these:

- A $20-million pay equity adjustment for 6,000 workers in Iowa, part of a collective bargaining agreement reached with the state earlier this year.
- A $5.6-million equity adjustment for 9,000 workers in Connecticut, also part of a collective bargaining agreement.
- An $11.8-million appropriation in Minnesota for the final segment of a four-year pay equity plan for 9,000 workers.

Earlier, AFSCME won pay readjustments for predominantly female workers in Los Angeles and New York state.

# *Auto Workers okay Saturn pact*

**Continued from Page 1**

The plant, which will make GM's new Saturn car, will be in operation by 1990 and use the latest computerized machinery. GM will house under a 150-acre roof an assembly and paint plant, stamping plant, engine and transaxle plant, a forging operation and a component manufacturing plant, the company said.

The primary source of Saturn's initial 6,000-person workforce will be the UAW members employed by General Motors, both active and inactive. The recruitment, selection and orientation procedures will be jointly determined.

Those workers initially hired will be given permanent job security. "No worker can be laid off except in the case of 'unforeseen or catastrophic events or severe economic conditions,' and union representatives must concur in that judgment," Bieber said.

As the workforce grows, new workers will gain permanent job security based on seniority, and at least 80 percent of the workforce will be covered at all times. Once permanent job security is gained by a worker, it is maintained regardless of fluctuations in the size of the workforce, the union said.

The agreement also provides for the elimination of "artificial" distinctions between labor and management, such as methods of pay, options to purchase GM products, separate cafeterias and parking areas, separate entrances and identification.

The union will be represented at all levels of the organization—work unit, work unit module, business unit, manufacturing complex and corporation—and will participate in all decisions at all levels, the UAW said, and either side can block a decision.

### Limited classifications

Departing sharply from standard industry procedure, there will be only one production classification and three to five skilled classifications. Basic starting rates will be $13.45 per hour for production workers and $15.49 for skilled trades during an initial "bridging period" of one year after production of the first car for sale.

The base rate then will be lowered to 80 percent of competitive base rates plus cost-of-living adjustments at other UAW-represented auto manufacturers. Additional compensation will be related to performance objectives, product quality and profit sharing with the goal of providing an overall wage "equivalent to that earned by comparable employees in GM," the UAW said.

During the second year of production, there will be a minimum additional COLA payment of 60 cents per hour, and negotiations will begin for a successor agreement.

The Saturn workers will receive hospital, medical, surgical, drug, dental, vision and hearing benefits along with life insurance and coverage under the sickness and accident and long-term disability programs.

The contract provides for a retirement plan that will be a defined contribution, individual account type, except that workers with 10 or more years' credited service under the GM pension plan will receive benefits for credited service at the time of transfer to the Saturn plant.

The UAW statement said, "The Saturn agreement is understood to be a living document that either party may seek to modify, and negotiations to that end may be initiated at any time."

## Trade deficit builds as import tide rises

**Continued from Page 1**

called on Congress to assert leadership with legislation to bring down the trade deficit.

"The Administration must not be allowed to mortgage America's future," Oswald insisted.

The June deficit in manufactured products reflected substantial increases in imports of cars, steel, inorganic chemicals and footwear.

Car imports rose $700 million from May to a total of $3.4 billion, about half from Japan. Steel imports rose to $1 billion for the month, taking 27.9 percent of the U.S. market. It was a gain of 400,000 tons from May.

Textile imports for the first six months of 1985 were 10 percent above a year earlier, and oil imports continued to rise.

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# THE TAX REFORM THAT WENT WRONG

The AFL-CIO has a long tradition of support for a fair tax system. An unfair tax system can all too easily take away hard won improvements achieved at the collective bargaining table in wages, pensions, health care and other benefits, and of course, to the extent others avoid paying their fair share, workers pay more.

Worker concern with the tax system also stems from a deep commitment to a fairer society and an adequately financed public sector. Taxes can help or hinder social and economic justice. Taxes also support important investments in education, training, health, safety, crime prevention, parks, roads, water systems and the like, which are a fundamental part of the quality of life in America.

## A fair tax system must be based on ability to pay

A fair tax structure must be based on the principle of ability to pay. Income is the most sensible measure of this ability. People and companies with more money can afford to pay more taxes than those with less, and a fair tax code will require them to do so. A dollar lost or gained means much more to someone with a lower income than to someone at the other end of the ladder.

Other forms of taxation are not as fair as the income tax because they aren't related to ability to pay. Consumption, for example, is an inferior alternative to income as a base on which to apply taxes. Under a consumption tax, such as a sales tax, spending would be taxed, but money set aside for saving and investment would not. This would create a very unfair spread of tax payments among people at different income levels and those earning low and moderate incomes would pay a much higher percentage in taxes. The poor have to spend all their income just to buy the basic necessities of life. Middle income wage earners also typically spend a greater part of their income than those with high incomes. Since the affluent can afford to save larger portions of their income, a consumption tax means a large portion of their income escapes taxation.

In recent years, more and more loopholes have been added in an attempt to encourage savings and investment. The result is an increasingly unfair tax system.

The expanded capital gains exclusion, excessive depreciation writeoffs and numerous opportunities to exclude savings and investment income have contributed to capital's increasing escape from taxation. The investment tax credit, the gimmicks available to U.S. international corporations and the huge rise in depreciation allowances engineered by the Reagan Administration in 1981 have removed a large part of business income from the tax base. These and other loopholes, preferences, shelters, and gimmicks have led to expanded tax favors for business and the affluent, and a further departure from the goal of a tax system based on ability to pay.

## The tax system must raise revenue

The current tax system, with its many preferences for business and the rich, doesn't raise the revenues that the United States needs to carry out the functions of government and meet the needs of its people. One need only look at this Administration's federal budget deficit, now heading for uncharted territory beyond the $200 billion annual level, to get a sense of the tax code's inability to provide adequate money.

The tax cuts that the Reagan Administration pushed through Congress in 1981 are the biggest single source of the deficit. More than threefourths of the 1986 deficit will come from the 1981 law, even after factoring in the tax increases legislated since 1981.

These deficits kept interest rates abnormally high for years, and caused foreign capital inflows, an expensive overvalued dollar, a huge trade imbalance and a fragile, uncertain economy. In addition, the tax shortfall added huge sums to the federal government's outstanding debt. By 1986 the Reagan Administration will have more than doubled the national debt since it took office, adding one trillion dollars in just six years.

Because of the steep rise in both public and private borrowing from abroad, the U.S. is now a net debtor to the rest of the world for the first time since 1914. Thus, the 1981 tax cut has placed a heavy burden on U.S. citizens in future years, because these borrowings will have to be repaid through lower living standards and higher taxes in the future.

## The President's tax reform plan will cause higher deficits

The President's tax reform proposal, however, would do nothing to raise more money or lower the deficit. Quite the contrary. Some loopholes are closed but any additional money is diverted to pay for other cuts in tax for individuals and business which generally favor the wealthy.

The President's proposal, despite the claim of revenue neutrality, will actually lose revenue and widen the already horrendous budget deficits. A quick examination of the Administration's own numbers reveals that revenues are going to decline when the proposed changes are fully effective. The Administration estimates that individual tax receipts will be 7 percent lower and corporate tax collections will be 9 percent higher when the tax plan is completely in place. But total corporate revenues are just one-fifth the size of individual tax receipts. This means that the Administration's tax proposal will cause a 4 percent drop in revenues from the woefully inadequate levels the current tax law will raise.

Recent estimates by the nonpartisan Congressional Budget Office (CBO) indicate that the proposal will lose far more revenues than the Administration claims. The CBO projects lower economic growth, higher inflation, and

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*This article was prepared by Arnold Cantor, assistant director, and Richard Krashevski, research associate, AFL-CIO Dept. of Economic Research.*

Table 1

**The Effect on Income Groups of the President's Tax Proposal**

| Family Income (1,000's of $) | Total Tax Cut (Bils. of $) | Average Tax Cut/ Family (%) | Average Tax Cut/ Family ($) |
|---|---|---|---|
| Less than 10 | $ .1 | 36% | $ 58 |
| 10-15 | 1.4 | 23 | 120 |
| 15-20 | 1.6 | 14 | 150 |
| 20-30 | 2.6 | 9 | 147 |
| 30-50 | 4.0 | 7 | 188 |
| 50-100 | 2.5 | 4 | 179 |
| 100-200 | .8 | 4 | 422 |
| 200+ | 4.4 | 11 | 10,000 |
| Total | 18.1 | 7% | 198 |

Source: Compiled from President's Tax Proposal, pages 15, 25, 461, and Treasury's November, 1984 tax proposal, page 54.

a different mix between investment in plant and equipment. It concludes that revenues will be $35 billion lower on a cumulative basis than under current tax law during the 1986-1990 period, and as much as $19 billion lower annually beyond 1990.

## Key features of the President's tax proposal

In November 1984, the Treasury issued a set of recommendations that included many of the measures needed to achieve a fair and comprehensive tax structure. Six months later, the Admininistration endorsed a proposal that represented a substantial amount of backsliding from the original Treasury plan —particularly in the business tax area. And even the critically important proposal to help the working poor is done in a fashion that provides windfall tax breaks to the wealthy.

The Administration would increase the personal exemption to $2,000 per person. A rise in the personal exemption, however, provides larger tax reductions to the well-to-do because the value of the exemption rises with the individual's marginal tax rate. To an affluent household in the 35 percent bracket, the increase in the exemption from $1,080 to $2,000 provides a $322 reduction in taxes. This is because 35 cents in taxes would have been paid on each dollar of the $920 increase in the exemption.

A high-income couple in this bracket would thus get a $644 tax cut. In contrast, a person in the bottom 15 percent bracket gets only 15 cents for each dollar of the increased exemption, or $138. A low-income couple in the 15 percent bracket would receive only $276—less than half as much as the high-income couple. This is an unfair and costly diversion of federal revenue.

## The rich get more under Reagan's plan

The President's 1985 tax proposal continues this Administration's tradition of giving special treatment to the people at the pinnacle of wealth and power. The cut in the top rate from 50 percent to 35 percent gives individuals with high incomes huge tax reductions compared to those with moderate incomes. Similarly, income from wealth is taxed lightly by the Reagan plan. The handling of capital gains typifies the Administration's approach. A capital gain is basically the profit on the sale of an investment asset and under current law 60 percent of such profits are completely exempt from income tax. The Administration would change the exclusion to 50 percent but at the same time, by reducing the top tax rate to 35 percent, the effective tax on capital gains would be reduced from 20 percent to 17.5 percent.

The capital gains provision is one of the most unfair in the tax code because it showers money on the wealthy. The richest 5 percent get 60 percent of its benefits and the key to many tax shelter operations and avoidance schemes is to convert fully taxable ''ordinary income'' into preferentially taxed capital gains.

The President's proposal gives a shockingly disproportionate drop in taxes to the rich. There are fewer than 500,000 taxpayers with incomes of $200,000 and up, and they represent only onehalf of one percent of all taxpayers. But this group gets more than $4 billion or 25 percent of the $18 billion cut in individual taxes in Reagan's proposal. The average cut in this income range is $10,000, while families in the moderate to middle income groups from $20,000 to $50,000 get only $150 to $190 dollars on average. (See Table 1.)

Broad averages don't tell the whole story of the unfair pattern of effects on individuals. The lack of fairness in the plan can be traced to a number of the President's proposals to change the way individuals are taxed. Those that are especially objectionable include the sharp drop in individual tax rates, the proposal to change the child care credit to a deduction; the inclusion of employer health contributions in taxable income; the taxation of workers compensation, unemployment insurance, and black lung payments; the termination of state and local tax deductions, and the extra burden placed on working spouses by the removal of the second earner deduction.

## The President's plan will hurt many low- and middle-income families

The Administration proposes to make many changes in the way individuals are taxed. These proposals don't add up to a net improvement. The goals of tax reform include fairness and simplicity. Equals should be treated equally, and the privileged status of certain forms of income, like capital gains, should be eliminated. The President's plan does not consistently move toward any of these goals. Instead, the proposal arbitrarily picks and chooses from many different provisions in current tax law and rearranges tax burdens with no apparent purpose except to cut marginal rates for the wealthy.

Ironically, while the President has characterized his tax proposal as ''pro-family,'' many families will be forced to pay higher taxes. The Administration's concept of the ''typical'' family as a husband, a wife at home and two children is no longer the norm. In fact, two out of three ''median income'' families have two earners and many of these will have to pay more if the President's plan is enacted.

Under the President's plan, two earner families would lose the marriage deduction. This provision currently provides such families with a deduction equal to 10 percent of the income of the spouse with lower earnings, with a maximum deduction of $3,000. Before this deduction was available, a two-earner married couple in many cases paid higher taxes than two single individuals with the same total income. The Administration's proposal would re-establish the ''marriage-penalty'' that was formerly in the tax system and directly affects working people.

Several other features of the Administration proposal also would hurt working families. The President plans to end deductions for state and local tax payments and change the child care credit to a deduction. These proposals hit at many middle-income working families, and their effects compound. Two-earner families who bought a house in the recent years of high interest rates and inflated housing costs will be hit especially hard by Reagan's proposals. For example, a twoearner married couple with one child and earning the moderate annual income of $35,000 very likely will have to pay at least 25 percent more in taxes if the Administration's plan goes into effect. Under Reagan's proposal, two-earner families and single parent families typically will suffer tax increases throughout the broad middle-income range.

These people are not taking advantage of abusive tax shelters nor are they unfairly or dishonestly evading taxes. Rather, they have been paying their fair share according to the law, and now they are being unfairly singled out for higher taxes in Reagan's tax overhaul.

The proposal to change the child care credit to a deduction is another proposal that violates any notion of fairness. Under current law, the credit is targeted to favor lower income workers. A change to a deduction would unfairly favor those with higher incomes. For the same $1,000 spent on child care, for example, a deduction will provide someone in the 35 percent bracket with a $350 tax saving, while those in the 15 percent bracket will receive only $150 in tax reductions. The President's proposal estimates that 40 percent of these child care deductions will be claimed by families with incomes above $50,000. This group accounts for just 18 percent of all taxpayers.

The situation of a single-earner head of household with two children shows how this proposal hurts specific families. Under current law, if such a taxpayer earns $15,000 and spends $4,800 on child care for two children,

**This Two-Earner Married Couple with One Child and a $35,000 Income Pays 29% More**

**Taxes Under Current Law and Reagan Proposal**

Tax Return for Married Couple

| | | |
|---|---|---|
| First Earner's Salary = | $25,000 | |
| Second Earner's Salary = | $10,000 | |
| Total Wages and Salary = | $35,000 | |
| Number of Exemptions = | 3 | |
| All City Average State & Local Tax Rate = | 6.00% | |
| Itemizer | YES | |
| Charity = | 2% | |
| Child Care | $2,400 | |
| X | 20% | |
| Child Care Credit = | $ 480 | |

| | Current Law | Reagan Proposal |
|---|---|---|
| Income | | |
| First Earner's Wages | $25,000 | $25,000 |
| Second Earner's Wages | $10,000 | $10,000 |
| Health Insurance | NA | $300 |
| Total Income | $35,000 | $35,300 |
| Adjustments to Income | | |
| IRA Contributions | $4,000 | $4,000 |
| Second Earner Deduction | $1,000 | NA |
| Child Care | | $2,400 |
| Adjusted Gross Income | $30,000 | $28,900 |
| Itemized Deductions | | |
| Home Mortgage Interest | $10,010 | $10,010 |
| Other Consumer Interest | $788 | $788 |
| State & Local Taxes | $2,100 | $0 |
| Charitable Contributions | $700 | $700 |
| Total Itemized Deductions | $13,598 | $11,498 |
| Zero Bracket Amount | $3,670 | $4,000 |
| Allowable Deductions | $9,928 | $7,498 |
| Personal Exemptions | $3,270 | $6,000 |
| Taxable Income | $16,803 | $15,403 |
| Tax Before Child Care Credit | $1,805 | $1,710 |
| Child Care Credit | $480 | NA |
| Earned Income Credit | 0 | $0 |
| Tax Liability | $1,325 | $1,710 |
| *Dollar Amount Change | | $386 |
| *Percent Change | | 29% |
| Marginal Tax Rate | 16% | 15% |

**This Single Head of Household with Two Children with $15,000 Income Would Pay $135 More**

**Taxes Under Current Law and Reagan Proposal**

Tax Return for Head of Household

| | |
|---|---|
| Wage and Salary = | $15,000 |
| Number of exemptions = | 3 |
| All City Average State & Local Tax Rate = | NA |
| Itemizer | NO |
| Charity = | 0% |
| Child Care | $4,800 |
| X | 27% |
| Child Care Credit = | $1,296 |

| | Current Law | Reagan Proposal |
|---|---|---|
| Income | | |
| Wages | $15,000 | $15,000 |
| Health Insurance | NA | $300 |
| Total Income | $15,000 | $15,300 |
| Adjustments to Income | | |
| IRA Contributions | $0 | $0 |
| Child Care Deduction | NA | $4,800 |
| Adjusted Gross Income | $15,000 | $10,500 |
| Itemized Deductions | | |
| Home Mortgage Interest | $0 | $0 |
| Other Consumer Interest | $0 | $0 |
| State & Local Taxes | $0 | $0 |
| Charitable Contributions | $0 | $0 |
| Total Itemized Deductions | $0 | $0 |
| Zero Bracket Amount | $2,480 | $3,600 |
| Allowable Deductions | $0 | $0 |
| Personal Exemptions | $3,270 | $6,000 |
| Taxable Income | $11,730 | $4,500 |
| Tax Before Credits | $1,252 | $135 |
| Child Care Credit | $1,296 | NA |
| Earned Income Credit | $0 | $0 |
| Tax Liability | $0 | $135 |
| *Dollar Amount Change | | $135 |
| *Percent Change | | NA |
| Marginal Tax Rate | 17% | 15% |

no federal taxes would be owed after subtracting a child care credit of $1,296. Under President Reagan's plan, however, this taxpayer will have to pay $135 in federal taxes. This example shows that moderate income families can be hurt by the President's proposal. Changing the child care credit to a deduction favors the affluent and penalizes many average and lower income families. It violates basic concepts of fairness.

## Worker benefits targeted by the Administration

The proposal would also tax employer paid fringe benefits. Those with health insurance coverage would be taxed on the first $10 of the employer's monthly payment for individual coverage, and the first $25 of employer-paid family health insurance premiums.

Most other advanced nations recognize that health insurance is fundamental to a fair and compassionate society and publicly finance health care with general revenues. The United States has chosen, to date, to avoid a national health program, and to provide health care through a system of tax deductions for employers and tax exemptions for the employees. To qualify for tax exemptions the benefit plans must comply with stringent rules and prohibit discrimination in favor of higher income employees and owners of the company and generally ensure that the intent of the law is served. Thus, this is not a tax gimmick that benefits only an elite few or a narrow "special interest" group. There are 140 million people who now have job-related health care.

The proposals to tax unemployment insurance benefits, workers' compensation and black lung benefits simply heap further hardship on those suffering the loss of employment and the pain of work-related injury, disease, and even death.

Unemployment insurance benefits are already taxed if income exceeds $18,000 for married taxpayers and $12,000 for singles. These benefits average only $119 per week across the nation, and at most replace half of lost wages while many states provide for less. Taxing the meager benefits provided by these programs would add injustice to the hardship their recipients already must bear.

## Anti-government campaign extended to states and localities

The President's proposal to end the deduction for state and local income, sales and property taxes has nothing to do with fairness, neutrality, or simplification. Instead, it is a measure with far-reaching harmful implications. Those states and localities that choose to do the most to live up to their social and economic responsibilities would be penalized by the President's proposal to subject state and local tax payments to federal taxation. These include those with large numbers of poor people, high public capital stock requirements, dense populations, high proportions of school age children, and crime.

Eliminating the deductibility of state and local taxes will initially affect middle- and upper-income itemizers. But over time all would suffer as support for essential programs diminishes and it becomes increasingly difficult to raise funds for public improvements.

Federal deductibility also helps to blunt some of the adverse effects of interstate and intrastate tax differences and destructive tax-cut competition to attract or keep businesses. This competition shifts jobs and business activity around, but generates no net rise in jobs or productive economic activity. It does, however, diminish the ability of states and localities to pay for social and economic programs. The important role of public investment in education, social needs, and in such capital facilities as roads, bridges and water systems is too often completely ignored. These public investments play a central role in economic growth, and their reduction will limit productivity and hinder economic advancement.

The Administration is relying on the termination of deductibility for the revenues to help pay for tax rate cuts, for backtracking from the Treasury's fall proposals on depreciation, capital gains, oil and gas loopholes, and for retaining other preferences. Cutting back depreciation allowances less than Treasury proposed to do last November will lose $60 billion in federal revenues. Taking away deductions for state and local taxes will generate $40 billion in 1990.

Above all, ending state and local tax deductibility would substantially undermine the ability of the states and localities to raise revenues at a time when the federal government's financial policies are forcing terminations and cutbacks in aid programs. For five years this Administration has promoted the concept of "new federalism" to shift responsibilities to the states. Those states that have done the most to meet their responsibilities would be punished and their tax revenues eroded under the President's proposal.

One of the most divisive notions is that people in low-tax states subsidize those in high-tax states. This ignores that the United States is one nation. Flows of people, problems, tax receipts, and government funds cannot each be viewed separately. Ultimately this divisive rhetoric risks tearing apart the federal system.

## Tax shelter opportunities remain

While many families with moderate incomes would pay higher taxes under the Administration's plan, the highest income individuals again would receive preferential treatment. Since 1981, this Administration has cut the top rate from 70 percent down to 50 percent and now to a proposed 35 percent. The top capital gains rate would be only 17.5 percent, compared to 20 percent under current law and 28 percent before 1981. Profits from sales of capital assets should be taxed no differently than workers' earnings. The capital gains exclusion is one of the most unfair preferences in the tax code and should be eliminated, not expanded.

In addition, the Administration's plan is not as hard on tax shelters as the Treasury's fall proposal. While the Administration does try to curtail tax shelters, large partnerships established to shelter income will still be allowed. The Treasury had proposed to clamp down on such shelter operations by taxing them as corporations. This would have ended the abuse of using limited partnerships as a device to pass through tax benefits to investors trying to shelter income.

The excessive allowances for depreciation and the special and highly costly treatment provided to the oil and gas industry are just two of the numerous vehicles for tax avoidance which the Administration would keep as part of the tax code.

## Loopholes have reduced business tax receipts

On the corporate side, the Administration's proposal candidly acknowledges the need to scale back some of the excesses of the 1981 corporate tax cuts. But it doesn't go far enough.

The business tax share has been on a steep downward trend since the mid-1950's when corporate income taxes represented one-fourth of federal receipts. Last year, when profits were booming, corporations paid only 8.5 percent of total receipts.

The law requires corporations to pay a tax of 46 percent on nearly all of their income. Because of the corporate preferences in the tax law, however, many big corporations such as General Electric, Boeing, and Dow Chemical pay no taxes. In an analysis of annual reports and Securities & Exchange Commission filings, the Citizens for Tax Justice found that, in the 1981-1983 period, 250 of the nation's largest corporations paid an overall federal income tax rate of only 14.1 percent on domestic profits totalling $291.4 billion. Of these companies, 17 paid no federal income taxes whatsoever during these three years, 65 companies paid an average of zero or less over the three years, and 128 paid zero or less in taxes in at least one of the three years (*The Failure of Corporate Tax Incentives*, Citizens for Tax Justice, Washington, D.C., 1984).

The oil and gas industry receives particularly lucrative concessions from the tax code, and in 1984 had an average tax rate of only 8.4 percent. Many other industries reduced their effective tax rates far below the 46 percent statutory rate. In 1984, for example, the chemicals and plastics industry paid 6.7 percent, nonelectrical machinery paid 5.4 percent, and the telecommunication industry averaged a negative tax rate of –12.0 percent. The vast majority of industries, 24 out of 31, had effective tax rates below one-half of the statutory rate (*Business Week*, June 10, 1985, pp. 96-99).

## Reagan proposes to end Investment Tax Credit

The huge gaps between statutory and effective tax rates have been opened up by the many deductions, exemptions and credits that

have been inserted in the law over the years. Among the numerous tax preferences available to corporations, the two that lose the most revenues are the Investment Tax Credit and the Accelerated Cost Recovery System. The 1981 tax law established the ACRS system and made the ITC even more generous.

In the year they acquire machinery or equipment, the investment tax credit allows companies a onetime deduction from the taxes they owe. For most equipment, the credit is 10 percent. This is equivalent to the federal government paying for 10 percent of the cost of the company's equipment. The ITC will give corporations $20 billion in such subsidies in fiscal year 1987, and $57 billion in 1990. The President has properly slated the ITC for elimination.

## Depreciation still excessive in Administration plan

The Accelerated Cost Recovery System is the other huge tax subsidy available to corporations. The ACRS was enacted as part of the Economic Recovery Tax Act of 1981. It established excessively generous provisions for depreciating the cost of business machinery, equipment, and structures. The excessive revenue loss caused by ACRS in combination with the investment tax credit is compounded by the current provision permitting corporations to take the tax credit and also deduct one-half of it as depreciation allowances. This doubledipping is unfair, has no economic justification, and generates further leakage from corporate tax receipts.

Before 1981, depreciation periods were based generally on the number of years that an asset was actually useful in producing income—its "useful life." One reason for the ACRS was as a response to the contention that depreciation allowances based on actual cost provided inadequate funds for replacement during periods of inflation. This argument ignores, however, the gains of business as a result of inflation's driving down the burden of business debt, which offset the effect of price increases on depreciation allowances. Ironically, under ACRS depreciation allowances were not related either to the actual useful life of capital or to the rate of inflation. In 1990 ACRS will cost the federal Treasury $60 billion more than if the system were based on economic depreciation with indexing for inflation.

Unfortunately, the Administration's plan doesn't reduce the overly rapid writeoffs for depreciation or close corporate tax loopholes. Writeoff periods are longer than those in the current Accelerated Cost Recovery System, but remain shorter than the period over which the plant or equipment can actually be used. In addition, the President proposes to index capital for inflation, and when this raises depreciation allowances in future years the plan will be even more lucrative for corporations than the current ACRS provisions.

## Tax cuts don't boost investment

These corporate tax concessions were sold to the Congress and the public as so-called investment incentives. In 1981, the AFL-CIO pointed out that such loopholes reward firms for investment they would undertake anyway. Most of the tax largesse showered on corporations has not been used for net increases in U.S. investment, but for mergers, takeovers, speculation, overseas investment, managerial compensation, and dividends.

In reality, investment had not fallen off during the 1970s. For example, the ratio of business investment to GNP averaged 10.5 percent in the 1970s, while this ratio averaged 9.8 percent during the 1960s.

# Comparison of Changes Between CURRENT LAW and REAGAN TAX PROPOSAL, Areas of Major Interest to Union Members

**PERSONAL TAXATION**

| PROVISION | CURRENT LAW (1985) | REAGAN PROPOSAL | KEY PROBLEM AREAS |
|---|---|---|---|
| **Tax Rates** | Joint Tax. Income | Joint Tax. Income | Sharp reduction in rates for highest income individuals represents a real step back in the progressivity of the system. Top rate, cut for second time in 5 years, would be half what it was in 1980. |
| | $3,540 to $5,720 11% | $4,000 to $29,000 15% | |
| | 12 Intermediate rates | $29,001 to $70,000 25% | |
| | Over $169,020 50% | Over $70,000 35% | |
| **Exemptions and Child Care** | | | |
| Self, spouse | $1,040 | $2,000 | |
| Dependents | $1,040 | $2,000 | |
| Blind, elderly | $1,040 | No, replaced by a combined elderly, blind and disabled credit. | |
| Child care credit | Credit up to $400 | Deduction up to $4,800 | Move to a deduction penalizes for low and moderate income taxpayers. |
| **Zero Bracket and Employment Income Exclusion** | | | |
| Joint Return | $3,540 | $4,000 | |
| Single Return | $2,390 | $2,900 | |
| Head of Household | $2,390 | $3,600 | |
| Two-Earner Deduction | 10% of lower income | No | Penalizes two-earner low and middle-income families. |

**PERSONAL TAXATION Con't.**

| PROVISION | CURRENT LAW (1985) | REAGAN PROPOSAL | KEY PROBLEM AREAS |
|---|---|---|---|
| **Fringe Benefits** | | | |
| Health care insurance | Tax exempt | Up to $25 of benefits per for family ($10 for individual) per month would be taxed; also subject to FICA tax. | This change is a threat to the principle of a health care network of protection which we have long supported. |
| Employer-provided legal services | Exclusion from taxes to expire at end of 1985 | Exclusion made permanent | |
| Employer-provided educational assistance | Exclusion from taxes (up to $5,000) to expire at end of 1985. | Exclusion made permanent and $5,000 cap dropped. | |
| Employer-provided death benefits | Up to $5,000 excluded from income | No exclusion | |
| **Deductions Allowed** | | | |
| State and local income taxes | Yes | No | Change would hurt taxpayers in high-tax, high-service states; would feed "tax revolts"; it is back door way of further reducing public services including educational; would encourage inter-state competition for new businesses and business expansion. |
| Property taxes | Yes | No | |
| Sales taxes | Yes | No | |
| Mortgage interest (first home) | Yes | Yes | |
| Interest paid (e.g. credit cards) | Yes | Yes, but deduction (including mortgage on second home) allowed up to the sum of $5,000 plus investment income. | |
| Charitable contributions | Yes | Yes, only for itemizers. | Unfair to non-itemizers who make charitable contributions. |
| Union dues and other misc. such as tools, work clothing, etc. | Yes | No, unless combined with other business expenses to total over 1% of income. | Few union members would qualify for deduction; unfair to workers. |
| Political contribution credit | Yes | No | Would undermine the public's involvement in the political process; would also effect COPE checkoff. |
| Presidential campaign checkoff | One dollar of taxes can go to finance Presidential election campaigns. | No | Wrong public policy. Places heavier reliance on private sources for political campaigns. |

**PERSONAL TAXATION Con't.**

| PROVISION | CURRENT LAW (1985) | REAGAN PROPOSAL | KEY PROBLEM AREAS |
|---|---|---|---|
| **Retirement Saving and Income** | | | |
| IRA | $2,000 | $2,000 | Expands the scope of IRAs; mostly for higher income people; undermines Social Security and group pension plans. |
| Spousal IRA | $250 | $2,000 | |
| **Lower Income Provisions** | | | |
| Unemployment compensation | Taxed if income exceeds $12,000 (single), $18,000 (married). | Fully taxed | Unfair to the unemployed; would reduce already inadequate benefits. |
| Workers' compensation Black-lung disability payments | Not taxed | Taxed, except for elderly, blind, and disabled credit. | Unfair to disabled workers. |
| Earned income credit | Yes | Yes, expanded | |
| Zero-tax earnings, family of four | $8,936 | $12,798 | |
| **Investment income** | | | |
| Capital gains, stocks and bonds | 60% excluded | 50% excluded | Top rate on capital gains lowered from 20% to 17.5%. Widens inequitable gap between treatment of income from work and income from capital. |
| Capital gains, depreciable assets | 60% excluded | No exclusion | |
| Dividend exclusion | $200 (joint returns) | No exclusion | |
| State and local bonds | | | |
| Private purpose | Tax exempt | Taxed | |
| Public purpose | Tax exempt | Tax exempt | |
| **Indexation** | | | |
| Personal exemption | Yes (Starting in '85) | Yes | Labor has opposed indexation because it automatically reduces government revenues regardless of economic conditions. |
| Zero bracket amount | Yes (Starting in '85) | Yes | |
| Tax brackets | Yes (Starting in '85) | Yes | |
| Earned income credit | No | Yes | |
| Capital asset basis | No | Yes | |
| Credit for elderly, blind and disabled. | No | Yes, starting in 1987 | |

(a) If indexation is retained, the additional indexation proposed by Reagan goes in the right direction, especially regarding earned income credit.

**CORPORATE TAXATION**

| | | | |
|---|---|---|---|
| **Tax Rates** | Graduated up to $1,405,000 taxable income, then flat top rate. | Graduated up to $360,000 taxable income, then flat top rate. | |
| | Top rate 46% | Top rate 33% | Cut too deep. |
| **Investment** | | | |
| Depreciation | ACRS (accelerated depreciation) | Adjusted for inflation | Still much too generous. |
| Tax credit | 6 to 10% | No | |
| Tax "excess depreciation" | Not applicable | Taxes "excess depreciation" taken under ACRS only through the '86-'88 period. | |
| **R&D Credit** | Yes, expires at end of '85. | Yes, extended to end of '88. | Bad way to handle R&D. |
| **International Issues** | | | |
| Foreign tax credit | Yes; foreign income taxes paid averaged together | Change to a separate per country limitation | Should go much further in curbing tax breaks which subsidize the export of American Jobs. |
| **Dividend Deduction** | No | 10% of dividend distributions deducted from taxable income | Unnecessary tax relief for corporations. |
| **Energy and Natural Resources** | | | |
| Percentage depletion | Yes | Phased out by '91 with some exceptions | Unjustified, huge tax breaks to the oil industry remains essentially untouched. |
| **Credit Unions** | Tax exempt | Taxed on retained earnings, except for small credit unions | C. U.'s with assets over $5 million would have the same tax status as other thrift institutions. Many workers' C.U.'s affected. |
| **Targeted Jobs Credits** | Expires | Allows to expire | |
| **Minimum Tax** | Yes | Yes, tighter rules | Should go further and raise more revenues. |

Source: UAW

After the enactment of the 1981 tax law with its huge gifts of public funds to corporations, real business investment dropped for two years. It rebounded as the economy came out of the deep Reagan recession. But by the first quarter of this year, the growth rate dropped below zero again. So there has been no long-lasting boost to business investment, despite the $65 billion the ACRS and ITC will cost the public this year.

Historically, tax cuts have not led to increased investment. For example, the ratio of investment to GNP has not fluctuated when effective tax rates on business investment changed. Rather, investment activity has corresponded to the swings in general economic activity. When the economy was strong, investment typically was also strong.

From the perspective of individual company, the decision to buy new machinery or build additional plant is influenced by sales prospects and the need for capacity, not by the availability of tax largesse. In *The Failure of Corporate Tax Incentives,* the Citizens for Tax Justice demonstrated that those companies which received greater tax benefits from the ACRS and ITC provisions actually invested less than firms that paid higher taxes. Similarly, Robert Eisner, a well known specialist in public finance at Northwestern University, in a study using several large-scale models of the U.S. economy on behalf of the Treasury Department, found that each dollar of depreciation deductions would produce only about 40 cents in added investment.

Thus, the link between tax policy and investment is very weak. Further, the contribution of business investment to the ultimate goal of raising productivity—and thus improving the nation's living standards—is also very small. Three major efforts at accounting for the sources of productivity growth all conclude that the productivity slowdown of the 1970s had little to do with business investment. The most detailed comprehensive study concluded that private business investment accounts for about 0.15 percent of each 1 percent of economic growth. (Edward F. Denison, *Accounting for Slower Economic Growth: The United States in the 1970s,* Washington, D.C.: The Brookings Institution, 1979.) Similarly, another recent study demonstrated that of the 2.1 percent drop in labor productivity growth between the 1948-1967 and the 1973-1980 period, only 0.1 to 0.2 percent stemmed from shifts in the ratio of capital to labor. (Barry Bosworth, *Tax Incentives and Economic Growth,* Washington, D.C., the Brookings Institution, 1984.) A third examination, conducted by the Bureau of Labor Statistics, which focused on trends in productivity beginning in 1948, revealed that the capital-labor ratio explained only 0.2 percent of the 1.9 percent decline in business sector productivity growth between the 1948-1973 and 1973-1981 sub-periods. (U.S. Department of Labor, Bureau of Labor Statistics, *Trends in Multifactor Productivity,* 1948-81, Bulletin 2178, Washington, D.C., U.S. Government Printing Office.)

These studies demonstrate that business investment in plant, machinery and equipment has only a slight influence on economic growth. They point out that tax policy not only has weak effects on investment, but that such investment has a minimal role in economic growth. In contrast, investments in education, training, and health and in such public capital facilities as highways, bridges, and water systems, account for a significant part of economic growth.

There is no justification for all the tax benefits given to corporations. Such tax gimmicks haven't raised the nation's growth potential, and should be eliminated. Instead, the corporate tax should be used to raise needed revenues and to make the tax structure more fair.

## Corporate rate cuts and indexing will lose revenues

The President's plan includes revenue estimates that show a gain of $21 billion in 1990 from depreciation changes. But these estimates don't show what happens after 1990 when the effect of indexing capital investment really begins to add up. Further, a large part of the revenue gain through 1990 comes from a separate recapture provision. This provision would tax a portion of the unanticipated gain that those corporations which have made investments since 1981 get from the proposed drop in corporate tax rates. Tax payments on those investments were deferred by writing off much of the costs in the early years of their lives, as provided by the ACRS. The drop in the corporate tax rate will result in deferred taxes being paid at an unexpectedly low rate. The President's plan would recapture this windfall, but the recapture phases out by 1990. After that, the depreciation proposal's indexing features will give companies huge tax benefits.

The Administration would reduce the corporate tax rate from 46 percent to 33 percent. Corporations already are not paying their fair share, and this would cause the further erosion of business tax receipts. After a few years, the Administration's proposal to index capital for inflation will reduce the corporate tax base, and the lower tax rate would apply to the reduced base. Each one percent drop in the corporate rate will lose $2 to $3 billion in federal revenues.

The Administration proposes to reduce the corporate tax base even further by permitting companies to deduct 10 percent of their dividend payments. The corporate tax base should be increased, not reduced, in order to raise revenues and make the overall pattern of federal taxation more fair. Taxation of dividends has made the spread of tax burdens somewhat more fair because most dividends flow to higher income groups. The Administration's proposal would diminish corporate tax receipts and merely make it cheaper for businesses to make dividend payouts that they would have made anyway.

## Reagan preserves tax breaks for moving jobs abroad

The tax code currently includes costly provisions that encourage companies to locate facilities overseas rather than in the United States. These provisions cost the nation jobs and billions in lost tax receipts. One of these provisions is the deferral privilege which allows multinational corporations to postpone U.S. income tax payments on the earnings of their foreign subsidiaries until such profits are brought home. Frequently, these profits are never returned. About $400 million in revenues will be lost in 1986 through this provision. The Administration has no plans to curtail deferral.

The foreign tax credit is a second tax provision that induces U.S. companies to move abroad. It gives a multinational company a dollar-for-dollar credit for foreign tax payments against its U.S. tax liabilities. In contrast, state taxes and other costs of business can only be deducted from corporate income. Replacing the credit with a deduction could raise as much as $10 billion a year in additional revenues. The Administration proposes merely a partial solution in the form of a per country limit. The amount of tax paid to a country that can be credited against U.S. taxes will be limited to the U.S. tax on income from that country. Instead of such a per country limit, the foreign credit should be terminated and replaced with a deduction, thereby raising additional federal revenues and removing this incentive to locate production and jobs overseas.

## Oil and gas industry still favored

Most other wasteful corporate tax preferences would be left largely intact by the Administration. The oil and gas industry has been the recipient of some of the largest tax giveaways. Under current law, the industry is singled out for advantageous treatment by two terribly wasteful provisions. The first is known as percentage depletion. This is a method of deducting the cost of investment in oil, gas and other mineral properties. Unlike ordinary depreciation methods, percentage depletion allows a deduction based on a percentage of the income (i.e., sales) from the property and permits a taxpayer to continue claiming these deductions indefinitely. As a result, the deductions are typically greater than the taxpayer's actual investment. Percentage depletion is, therefore, properly viewed as a subsidy rather than a cost recovery method. Under current law, independent producers and royalty owners can claim percentage depletion on production up to 1,000 barrels of crude a day. The Administration proposes to restrict the availability of percentage depletion to "stripper" wells producing less than 10 barrels per day owned by independent producers.

The second major oil and gas related tax loophole applies to the immediate writeoff of intangible drilling costs. These costs include amounts paid for labor, fuel, materials, technical services, site preparation costs, and transportation costs. Current law allows oil and gas firms a choice of deducting these costs over time or writing them off immediately. The purchase of the labor, materials and services associated with developing an asset that will be used for many years should be deducted over the life of the asset. The option to expense these costs gives the oil and gas industry excessive and unwarranted special treatment that doesn't apply to other firms and industries.

In a major reversal from the Treasury's initial position last fall, the Administration now plans to retain the option to expense intangible drilling costs.

## Reforming the President's tax reform proposal

The President's tax reform proposal does not add up to the major overhaul necessary to achieve tax justice, nor does it improve the ability of the nation's tax system to raise revenue which was damaged terribly by the 1981 tax law. The legacy of the 1981 tax cut is a huge federal deficit, diminished equity, a weaker economy, and the government's inability to advance the nation's well-being.

Under this Administration's initiatives, the tax code has fallen further short of the standard of fairness based on ability to pay. The rich and businesses have consistently received preferential tax treatment from President Reagan's tax initiatives. The President's new tax proposal continues this pattern, and will make the tax system more unfair. Again, those at the highest income levels will get bigger cuts, while many moderate income families will actually have to pay higher taxes. Similarly, corporations will continue to pay less than their fair share under this plan.

In contrast to much of the Administration's tax plan, the AFL-CIO's proposals are aimed at achieving a fundamentally fair tax system. Adequate revenue is an urgent national priority and reform efforts must produce a tax code that is more equitable than the President's proposal and capable of producing adequate revenue.

# Kirkland Asks Real Tax Reform

**By Lane Kirkland**

We believe Americans have a special interest in a fair tax structure and that our citizens deserve—and seek—both tax reform and tax simplification. Unfortunately, most Americans are convinced that tax legislation is crafted by special interests other than their own and that avoidance and evasion is the name of the game.

This committee has the opportunity to develop a more simple, understandable and equitable tax code. The AFL-CIO will fully support such an effort.

The President's tax proposal claims to meet these objectives and a number of its features have merit. The AFL-CIO emphatically endorses, for example, the provisions taking most poor Americans off the tax rolls.

As a package, however, the President's proposal does not add up to the major overhaul needed to establish fairness and end the preferential treatment given wealthy individuals, stock and real estate speculators, oil and gas developers, and corporations.

We believe knowledge of these flaws and weaknesses has become widespread and we hope the Congress will act decisively to improve the package along the lines that we will set forth in order to assure real tax reform.

Today, the federal income tax structure rests on a double standard that unfairly discriminates against one form of income—wages and salaries—in favor of unearned income, which can be sheltered through phantom deductions, capital-gains exemptions, phony losses and overseas investments. By contrast, working men and women, who pay the lion's share of taxes, meet their income tax obligations in full every payday.

In our view the key test of a tax-reform proposal is the extent to which it diminishes unfairness toward people who work for their money and eliminates favoritism toward people whose money works for them.

By that test, much of the President's program falls short.

A tax structure founded on the principle of ability to pay should never have been allowed to add to the burdens of people living on the edge of impoverishment. While the President's tax proposals are helpful to poor people in the main, many are left out and some would face tax increases. For example, a working mother earning $15,000 per year with two children requiring child care has zero tax liability under present law. Under the President's proposal she could bear a tax burden of $135.

The impact would fall unevenly on middle-income Americans with tax cuts going primarily to non-itemizers while those with deductible expenses will face tax increases. Although this legislation has been offered as a tax cut for most of the people, millions of middle-income Americans will pay higher taxes while the vast majority of wealthy Americans will pay less.

We are pleased that the Administration candidly acknowledges the need to correct some of the excesses of the 1981 corporate tax cuts and recognizes that corporations have been less than forthcoming in funding even a modest share of the nation's public needs.

The corporate tax share has been spiraling down since the mid-1950s, when business taxes financed a full fourth of the federal budget. Last year, when profits were booming, the corporate sector provided only 8.5 percent of federal tax revenues. It's hard to think of anything that does more to undermine taxpayer morale and confidence in government than the knowledge that dozens of giant, profitable corporations pay less in taxes than the lowest-paid employee who punches the timeclock.

So it is unfortunate that the Administration has backed away from some of the more equitable of its earlier recommendations and retained some of its worst.

As this committee knows, the AFL-CIO strongly objects to taxing certain employer-paid benefits. We are pleased that the Administration's proposal continues the current law provisions applying to employer-paid legal, education, group life insurance and child care plans. However, we remain firm in the conviction that employer-funded health insurance should not be considered income subject to tax.

Most other industrial nations recognize health care as fundamental to a progressive, compassionate society and have chosen to fund such programs publicly through the direct support of general revenues. The U.S. has chosen, to date, to avoid a national health program and has chosen instead to meet its health care needs through a tightly administered system of tax deduction for the employer and tax exemption for the employee. Since 140 million people now have job-related health care, this is not a tax gimmick that benefits only an elite few or a narrow "special interest" group. We strongly fear that to tax these benefits is to begin the erosion of an established social policy without consideration of any alternative.

As for the taxation of unemployment benefits, worker compensation and black lung benefits, such a proposal would simply heap further burdens on those suffering the loss of employment and the pain of work-related injury, disease, and even death.

Unemployment insurance benefits, which average only $119 per week across the nation, are already subject to taxation if income exceeds $18,000 for married taxpayers and $12,000 for singles. At most, unemployment compensation replaces half of lost wages while many states provide far less.

Taxing the meager benefits provided under these programs adds injustice to hardship and indignity.

One feature of the Administration's proposal is especially perplexing and objectionable: the attempt to do away with the deduction for state and local income, sales, and property taxes. This proposal has nothing to do with fairness, tax neutrality, or tax simplification. Rather it is a measure which will have far-reaching detrimental effects on many communities. The most severely hurt will be those states and localities that most conscientiously live up to their public responsibilities or that have populations larger, older, poorer or more disadvantaged than the average.

Federal deductibility also serves as a device which blunts interstate and intrastate tax differences. Doing away with this deduction would make economic competition within and among states more severe.

Above all, this proposal would substantially undermine the ability of the states and localities to raise revenues at a time when the federal government's financial policies are forcing terminations and cutbacks in programs of aid. For five years this Administration has built upon the concept of "new federalism" to shift responsibilities to the states. The states that have tried hardest to meet these responsibilities would be penalized and their tax base eroded under the Reagan proposal.

The recommendation to end the second-earner deduction is another anti-worker proposal that is in direct conflict with the President's avowed pro-family sentiments.

Eliminating this deduction recreates the marriage penalty and targets a particular group—working families—for tax increases. Moreover, in conjunction with other proposals in the President's package, this move would result in substantial tax increases for many young, small working families who have been particularly affected by high interest rates and inflated housing costs.

The proposal ignores the changing nature of American families. The Administration's concept of the "traditional" American family no longer applies. Two-earner families are rapidly becoming the national norm. In 46 percent of the families with children under age six, both parents are working; 67 percent of the mothers of preschool children are members of the labor force. Under the President's plan, two-earner families would lose the marriage deduction and they, and single-parent families, would lose the child care credit and the deduction for taxes on their home. A working couple with one child, buying a home on a $35,000 income, could expect a tax increase of more than 20 percent.

The steps that are needed to create an equitable tax measure cannot be taken within the confines of the three parameters established by the Administration in this bill: revenue neutrality, drastic cuts in tax rates on

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*This article is taken from testimony by AFL-CIO President Lane Kirkland before the Senate Finance Committee, July 24, 1985.*

the wealthy, and a small shift in the distribution of tax burdens between corporations and individuals. To achieve true tax fairness this package of constraints must be rejected.

The Administration originally projected a five-year revenue loss totalling less than $12 billion under its program. Since then, however, the Treasury, Congressional Budget Office and several private analysts have predicted far greater costs. The budget cuts that the citizens of the United States have had to endure in the past few years and the continued high deficits do not permit any further revenue leakage through the tax code. It would be the height of irony if the tax cut for those with $200,000 incomes were paid for by a cut in retirees' social security COLA.

The AFL-CIO would like to suggest ways in which the committee can shape a tax reform package that will move more decisively toward tax justice without the revenue loss of the President's proposal and without increasing the taxes of the vast majority of Americans. To bring true fairness in the overall package, we recommend changes on both the corporate and individual sides of the ledger.

A fundamental factor in constructing a balanced and equitable tax system is to ensure that corporations pay their share of the tax burden. The 1981 corporate tax cuts generated enormous revenue losses, created a new industry around the buying, selling and leasing of tax writeoffs and opened gaping inequities among companies and industries and between individuals and corporations.

The President's tax proposal picks and chooses from a vast array of preferences, keeping some business subsidies and eliminating others. The result is not tax neutrality, but a continued distortion of economic and business decision-making. This action invites the kind of manipulations that have brought the current system into disrepute.

Moreover, although the Administration claims corporate tax revenue will increase over the next five years, a Congressional Budget Office study concluded: "...the general corporate provisions included in the President's tax plan (depreciation rule changes, the Investment Tax Credits, the corporate rate cut, and the partial dividend deduction) will probably reduce the tax burden on income earned in the corporate sector in the long run."

We urge the committee to take the following steps:

• Reject the deep cut in the corporate tax rate. There is no justification for slashing corporate tax rates by nearly one-third. Each percentage-point cut in the corporate rate from the present 46 percent to the proposed 33 percent costs the Treasury $2 to 3 billion yearly in revenue.

• Strengthen the corporate minimum tax. After many years of open scandal over the fact that major corporations whose profits total billions of dollars pay little or no taxes, bills have been introduced in both houses of Congress calling for a corporate minimum tax. Such a tax could raise as much as $23 billion in revenues over the next two years, while the President's proposal raises less than one billion dollars.

• Curb tax privileges of the oil and gas industry. The Treasury's November recommendation would have trimmed many unnecessary special preferences for the oil and gas industry increasing revenues by nearly $10 billion per year. The President's proposal trims oil tax reform to one-tenth of that amount.

• Establish a depreciation system that realistically reflects the costs and useful life of capital assets. The original Treasury proposal would have scrapped the 1981 accelerated cost recovery system (ACRS). The current proposal stretches out depreciation timetables to a lesser degree than the November proposal and includes basically a one-shot effort to prevent windfall tax benefits that would result from the combination of drastic rate reductions and previous depreciation schedules. The November Treasury proposal would raise $81 billion through depreciation reform in 1990 while the current proposal would raise only $21 billion.

• Change the foreign tax credit. While we support the President's proposal to restrict this subsidy to offshore production, we believe that additional measures are appropriate. According to IRS figures, in 1982 U.S. corporations claimed foreign tax credits in excess of $19 billion. We believe there is no reason to subsidize U.S. firms to invest and produce overseas. Foreign taxes should be considered as a cost of doing business exactly like state and local taxes and should, therefore, take the form of deductions, not dollar-for-dollar credits. Shifting from a credit to a deduction could recover as much as $10 billion a year in taxes.

• Reject the Administration's proposal for a 10 percent deduction for corporate dividends. This provision would merely provide this nation's corporations with roughly a $6 billion windfall tax break for doing something that they would do in any event: distribute dividends to their shareholders.

• Use this opportunity to end the tax incentives for hostile takeovers and mergers. The current wave of corporate takeovers does serious injury to workers, customers and the community in which the target company is located. Workers and their communities too often finance the costs of the raid by job losses or pay cuts that cripple or destroy Main Street. The tax code in many cases abets this travesty, and the committee should remove all corporate takeover tax incentives.

We urge the committee also to take these steps with regard to individuals.

• Scale back the sharp reduction in rates for highest income individuals. This Administration's tax proposals have consistently favored the wealthy. Since it took office the top rate has dropped from 70 percent down to 50 percent and now to a proposed 35 percent with a top capital gains tax rate of only 17.5 percent. The President's own figures show that individuals with incomes of $200,000 and up—a group representing one-half of one percent of the nation's taypayers —will receive over $4 billion of the tax savings. He proposes that this group receive 25 percent of the tax reduction, or an average of $10,000 each. This is another unfair reward to the wealthy. The 1981 tax bill gave large cuts to wealthy individuals. We urge the committee to establish additional brackets to redress this inequity.

• Consider paring the advantage given to high-income individuals through the proposal to increase the personal exemption. The President's plan relies heavily on increases in the personal exemption to remove the poor from the tax rolls and offset the removal of many middle class deductions and exclusions. The value of the personal exemption, however, is considerably higher for wealthy individuals. A fairer system would ensure that the personal exemption is worth the same to all individuals regardless of income.

While the Administration plan makes some attempts to reduce the availability of tax shelters, it leaves many shelter opportunities intact. For example, it drops the provision in the earlier proposal to tax large partnerships (those with more than 35 partners) as the corporations they are in all but name. Instead, the current proposal preserves the main device of tax shelter promoters—use of limited partnerships to pass through tax benefits to tax-motivated investors. This provision means that if there is a tax abuse to be enjoyed—and the over-generous rules for depreciation, oil and capital gains insure that there will be—there will be a way clever promoters can market and exploit it.

• Establish an effective individual minimum tax. In order to ensure fairness, the imposition of a minimum individual tax is necessary. Bills have been introduced to create such a tax that could raise $12 billion in 1986 and 1987 alone. The Administration's proposal on the other hand would raise only one-thirtieth of that amount over the same time period.

• End the preferential treatment for capital gains. The capital gains preferences are the most complicating features of the tax code and contribute most to the double standard which exists between earned and unearned income. Even though the President has proposed a modest reduction in the amount of capital gains that can be excluded from taxation (from 60 percent to 50 percent) the effective tax rate on capital gains would actually be reduced for the wealthy taxpayers because of the tax rate reductions. We believe this is in direct contradiction to the concept of tax fairness. Ending this exclusion and taxing capital gains in the same manner as earned income could raise over $10 billion each year, even with the President's proposed slashing of the top tax rate.

• Reenact the 1982 provision to require tax withholding on interest and dividends.

• Reject the President's attempt to reduce employee job-related deductions. The imposition of a threshold on employee work-related expenses and other miscellaneous deductions will force individuals to add up a host of minor and major expenses to see if they meet the test for deductibility. This is hardly tax simplification; it complicates the tax filing process and directly burdens working people. It would eliminate such deductions as protective clothing, tools and union dues for many workers.

• Carefully review the pension provisions. In general it appears that the Administration's proposals go in the direction of appropriate restrictions in order to prevent misuse and excessive benefits to higher paid employees. However, some of the rules concerning lump-sum distributions and early retirement pensions—income averaging and excise taxes—could adversely affect working people. We also believe the abuses of present law in the employee leasing area must be corrected.

In addition, we believe that the committee must not turn its back on the federal financing of Presidential elections, as the President proposes under the guise of simplification. This proposal has no revenue effect and involves only one line on the tax form. The suggested repeal represents nothing more than an Administration attempt to impose its ideology without the hearings and debate that preceded Congressional enactment of the federal financing law. We also oppose the elimination of the tax credit for political contributions.

Over the years, the American labor movement has given a great deal of thought and study to the establishment of a fair, balanced and equitable tax system. We believe that such a system can be achieved in this 99th Congress.

We are well aware that there remains much work to be done. The suggestions I have made today are by no means definitive.

In the coming months, as you continue your review of the entire issue of tax reform and tax simplification, the AFL-CIO stands ready to participate in every way we can toward the development of a truly fair and equitable tax plan. We look forward to this effort, and we offer our wholehearted cooperation.

# *MEDIA, MERGER, MANIA*

# A 'MODEST PROPOSAL'

**By Charles A. Perlik, Jr.**

The news industry has always been a business, run by businessmen—and an occasional businesswoman. Today it is in danger of being run—and overrun—by financiers.

To cry alarm over this development does not require us to cast a false glow of nostalgia over either the past or the publishers who inhabited it. Some were notable buccaneers, many were petty tyrants, and most were at least as concerned with the bottom line as the headline. But, for the most part, they had an interest in news, as Henry Ford had an interest in cars, and if someone like William Randolph Hearst appeared, to build a chain and send it down an overtly ideological path, there was no lack of competition to combat it and restrain its influence. That world of yesterday was anything but a perfect news world. But it had its countervailing forces.

Today we face the topography of a far different industry.

Two-thirds of the 1,700-odd daily U.S. newspapers are owned by chains. Even more significant, they control almost 80 percent of daily circulation.

Gannett alone becomes the owner of 88 with its purchase of the Des Moines Register, and Thomson has an equal number. In Canada, concentration is even more dense. Two chains, Southam and Thomson, own almost half of the nation's dailies and control some 60 percent of circulation between them.

That is the background against which the recent wave of industry acquisitions must be assessed.

What is significant here is not just the continued accumulation of newspaper control in a small number of powerful chains, or even the continued concentration of newspaper control in a small number of powerful chains. It is the maturation of a long-growing trend toward cross-media conglomerates—mammoth corporations grinding out newspapers, television and radio broadcasts, and now even films. And with it, inevitably, the entry of the financial wheeler-dealers, prepared to compete with the big chains themselves in takeover attempts, hostile or otherwise, of all these tempting media properties.

What is fueling this unprecedented takeover activity is not just newspapers' immense profitability—that's among the highest of U.S. industries. We've known about that for some time, and so have investors and their analysts. What's new, according to the Morton Research Newsletter, is the discovery that newspapers' ability to generate cash, fueled principally by their local monopoly, gives them a value far exceeding their stock prices. That value is so high that even after a 30-percent increase in newspaper stock prices early this year, they are still considered at least 30 percent undervalued on the stock market.

Teamed with that other fabulous money-generator, television, they are tempting financial packages indeed. So we see Capital Cities paying $3.5 billion for the American Broadcasting Cos. We see Rupert Murdoch joining in a $2-billion purchase of seven Metromedia television stations after buying a $162-million half interest in 20th Century Fox. We see an $825-million price tag placed on the shares of Multimedia Inc. in the course of an outside takeover attempt and an inside leveraged buyout offer.

We see the Tribune Co. paying an incredible $510-million for a single television station, KTLA in Los Angeles, giving it the nation's fourth largest TV broadcast network in terms of revenue. And we see Gannett shelling out $200 million for the Des Moines Register plus a small Tennessee daily and two weeklies.

Where is all of this taking us? There is no better answer than the one given by the staid National Center for Business & Economic Communication at American University. A recent issue of the center's newsletter, noting that the current merger wave is "creating not just newspaper or broadcast chains, but media conglomerates which own major newspapers and broadcast properties and magazines and book publishers and even movie studios," warned:

"Traditional control of journalistic enterprises by journalists, or anyway by former journalists, appears to be slipping away to Wall Street investors and bankers."

The big chains themselves are alarmed and are raising their drawbridges. In the last few months, Gannett, Dow Jones, Knight-Ridder, Belo and the Tribune Co. have all taken extraordinary measures designed to repeal hostile boarders. These measures, which have become known in the industry as "shark repellents," include such steps as the creation of two different levels of voting stock, a requirement of 80-percent shareholder approval of any takeover, and staggered terms for directors.

The Center for Business & Economic Communication is worried that some of these steps violate principles of "corporate democracy." I'm worried that, in the last analysis, they won't work.

The growing threat of an industry dominated by bankers and big investors is troubling enough. But an even more ominous threat, long implicit in media concentration, is now becoming explicit. That danger is the use of these unprecedented concentrations of media power for political propaganda purposes.

We, almost alone, called attention to that danger a half-dozen years ago, when there seemed to be only one small cloud on the horizon—Publisher John McGoff, who it was charged had received a subsidy from the South African government to make his newspapers a South African political instrument.

Now we are witnessing a far more threatening development, the move by Sen. Jesse Helms, North Carolina's political mastodon, to take over CBS and turn it into a sounding board for the far-out right.

Its significance is underlined, again, by the Business & Economic Communication Center, which observes that with the Helms campaign, "the merger mania has brought to light a different kind of First Amendment implication."

"The press is supposed to be politically objective," it notes, "and government regulation requires television and radio to be fair. But the rumors surrounding a possible attempt to take over CBS are politically charged."

Helms has for the moment stepped into the background, while Ted Turner, a notable conservative himself, mounts his own attempt to take over CBS. The degree of Helms's involvement in Turner's foray is still not clear, but it seems certain that if it fails, Helms will be back in full cry with his attempt to transform CBS into the Conservative Broadcasting System.

There are other threats. Rev. Sun Myung Moon's News World Communications has thus far been content to establish newspapers rather than buy them, but its Washington Times is striving for a national audience, and the vast financial resources of the Unification Church are available for more ambitious ventures. This is how News World's president, Bo Hi Pack, described its purpose in a 1984 San Francisco radio interview:

"The media organization we are setting up wants to be utilized as an instrument, an instrument of our cause. . . . The battlefield of the human mind, this is where the battle is fought. So in this war, the entire thing will be mobilized: political means, social means, economical means—and propaganda means. Basically, trying to take over the other person's mind."

Efforts to use the media in this way can be contained, are perhaps even tolerable as long as we are dealing with groups of limited size and influence. But mix the Helms/Moon brand of political ambition with a newspaper chain grown to a third or more of the nation's circulation, mostly in one-newspaper markets, and you have an engine of enormous destructive potential to our democracy.

We already have chains of that size in Canada, and in the United States the two largest chains—Gannett and Knight-Ridder—control close to 14 percent of circulation between them. In an era when chains are acquiring chains, the day of superconcentration may not be as distant as it seems.

As the Business & Economic Communication Center, once again, observed:

"The media do not constitute a concentrated industry yet, but if in years to come communication in this country is concentrated in but a few hands, then the mania will have profound First Amendment implications."

There is still time to act.

Six years ago we urged Congress to fashion a remedy, advanced originally by press analyst Ben Bagdikian: Put a limit on the number of newspapers or the aggregate circulation a single media owner can control.

The U.S. Congress, after an initial flurry of concern over industry concentration, failed to act on this or any other proposal. In Canada, the proposal was taken up by the Kent Commission and, in a modified form, by the Trudeau Government in the proposed Canada Daily Newspaper Act. But it was swamped by a storm of publisher protest, bordering on the hysterical, and withdrawn without being put to a Parliamentary test.

We think that the recent wave of "merger mania" makes it time to revive it, at least in the United States, and among the resolutions before you is a painstakingly crafted one doing just that. If you adopt it, as I hope you will, we will undertake a serious effort to put this issue on the congressional agenda. (The resolution was adopted.)

Monopoly has become the name of the local newspaper game in all but a handful of cities. We had damn well better not let it become a national pastime.

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*This article is from the keynote address of Newspaper Guild President Charles A. Perlik, Jr., June 24, 1985, to the Guild's 52nd annual convention in Pittsburgh.*

# Western Union strikers fight giveback demands

Hollywood, Fla.—Negotiations are continuing between Western Union and the unions representing the company's 7,100 employees who were forced on strike by management's demands for extreme concessions.

Some 6,500 Telegraph Workers struck the company on July 28, shortly after the contracts expired. They were joined on the picket line on July 31 by 600 members of Communications Workers Local 1177, which represents Western Union employees in New York and New Jersey.

UTW President Richard Brockert said shortly before the AFL-CIO News' press-time that negotiations are continuing, "but if we don't reach a settlement by the end of the week, we'll probably pack it up and go home."

Brockert added that a long strike could ruin the company. "That's a real concern and I hope they share it. I think they would lose customers and not get them back. The competition is very keen."

He had high praise for his members. "We got a tremendous strike vote and very few crossed the lines when the company asked them to come back. The members know what shape the company is in and what they are asking for. It's incredibly tough to bargain" these giveback demands.

Job security and severance pay are the key issues in the strike. Management wants to lay off 1,500 to 2,000 workers in the next two years and to cut severence benefits in half. Since 1983, the company has laid off 2,800 workers.

Western Union proposed a two-year contract with a wage freeze and only a 3-percent bonus at the end of the second year. It wants the right to hire part-time workers for a maximum of 1,000 hours per year at $6 an hour, to contract out work and to combine job classifications.

### More cutbacks

The company also proposed to raise the workers' health insurance deductibles to $1,500 per year for single coverage and to $3,000 for families. Reduced vacations and a 40-hour workweek for those now working 35 are also being sought as cost-cutting measures.

Workers at Western Union agreed last December to a six-month, 10-percent pay cut to help the company save $10 million. That 10-percent cut has been restored.

Western Union lost $58.4 million in 1984 and $9.7 million in the first quarter of 1985.

Company Chairman Robert S. Leventhal said the company is prepared to let the strike continue "indefinitely" and will do "whatever is necessary to continue operations." The firm has $70 million in cash, which Leventhal said is "adequate" to last out a strike.

The company's 85 offices and three central telephone order centers are being staffed by 2,000 management and temporary workers.

Brockert said a limited staff could not meet the customer demand. "I think they're kidding themselves if they think they can serve the customers with management and any strikebreakers they hire. I don't think they have the expertise."

The strikers, who average about $23,000 a year in wages, are clerks, operators and technicians.

CWA President Morton Bahr, in announcing the strike by the 600 members of Local 1177, said the union had continued the contract on a day-to-day basis in an effort to "develop an innovative way to resolve this dispute."

Bahr said CWA had a "realistic" proposal that would have given the company needed concessions, but Western Union insisted on "changes in the contract language that have no bearing on their financial ability."

# House panel asks renewal of funds for Job Corps

The Job Corps has been "highly successful" and should be continued, the House Government Operations Committee declared.

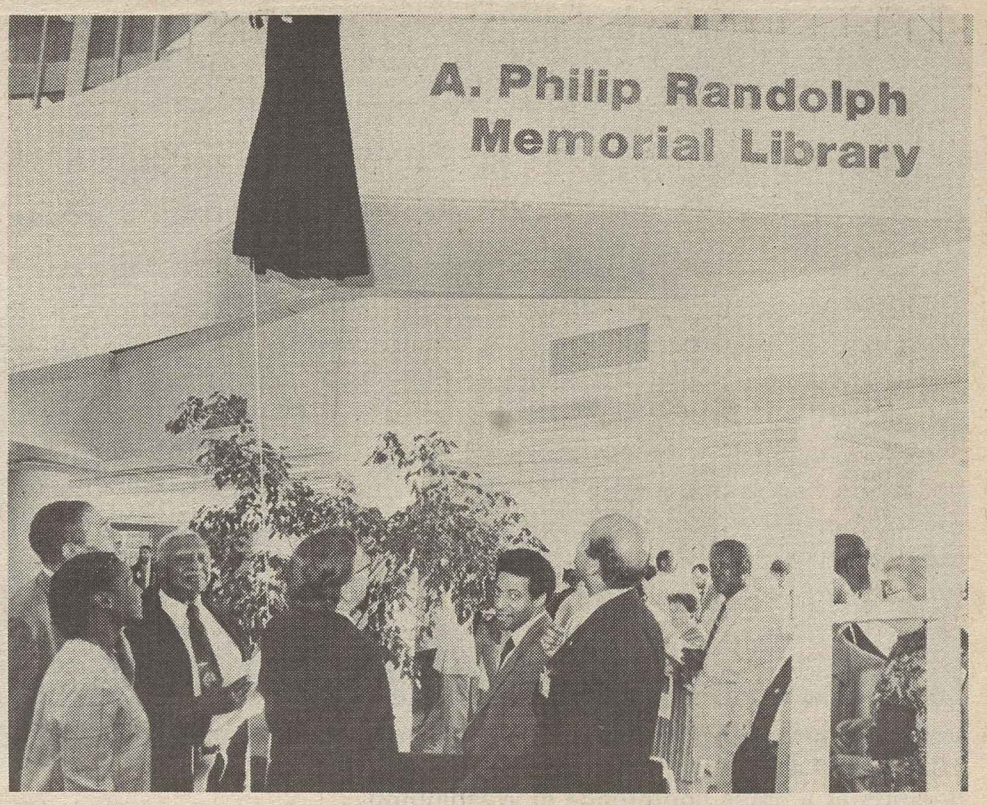
It adopted, with bipartisan support, the findings of a subcommittee that the benefits of the program outweight its costs. It termed the Reagan Administration's proposal for abolishing the Job Corps "short sighted and ill-advised."

The Job Corps was established 20 years ago as part of President Johnson's war on poverty and has helped more than one million disadvantaged young people, primarily in residential training centers.

Subcommittee Chairman Barney Frank (D-Mass.) said every study of its operations has found the Job Corps to be both cost-effective and successful.

Although it is more costly than non-residential training programs, "no one has proposed a viable alternative," the committee noted. It recommended funding of the program at least at the current level.

The 39-member committee adopted the report with only four of the 16 Republican members dissenting.




AFL-CIO President Lane Kirkland officiates at Manhattan Community College library dedication honoring A. Philip Randolph's achievements.

# *Scholarship, college library dedicated to Phil Randolph*

New York—The Borough of Manhattan Community College dedicated its library July 17 to the memory of labor and civil rights leader A. Philip Randolph.

The college will also establish an annual scholarship in Randolph's name and develop a collection of books on the civil rights movement. A lecture series will focus on labor and the civil rights movement.

AFL-CIO President Lane Kirkland, who was honored with the college's Distinguished Service medal, gave the dedication speech.

### No better way

He told the audience of 200 that "an institution dedicated to the service and betterment of the human race could express its purpose in no better way than to bear the name of A. Philip Randolph."

As the first president of the Brotherhood of Sleeping Car Porters, Randolph found in the trade union movement "a vehicle to fight racism, poverty and ignorance," Kirkland said.

Randolph "knew that his country could not achieve freedom or greatness with fear and prejudice, poverty and ignorance in its midst, so he preached solidarity and brotherhood," Kirkland recalled.

He pointed out that Randolph led the fight to prevent communists from taking over the National Negro Congress in the 1930s, led the March on Washington in 1941 which moved President Roosevelt to ban discrimination in the defense industries and the government, and later headed the campaign that resulted in President Truman's desegration of the armed forces.

In 1963, he led the March on Washington for Jobs and Freedom that pressured Congress to enact the landmark civil rights legislation of the 1960s.

Randolph in 1957 became the first black AFL-CIO vice president and three years later formed the American Negro Labor Council to fight discrimination within the labor movement.

Until his death in 1979 at age 90, Randolph firmly believed that through unions and solidarity, social injustices could be conquered.

The library serves 11,000 students at BMCC's lower Manhattan campus. Eighty-four percent are from economically disadvantaged or minority groups.

# Building trades win safety net, hard hat rulings

Philadelphia—The Ironworkers and the AFL-CIO Building & Construction Trades Dept. scored a legal victory over an adverse decision by the Occupational Safety & Health Review Commission on the use of safety nets and hard hats on construction jobs. A similar ruling was handed down by an appellate court last month.

BCTD President Robert A. Georgine had urged the Labor Dept. to seek a court review of the OSHRC decision in a case where Adams Steel Erection, Inc., was cited for two safety violations and fined $50.

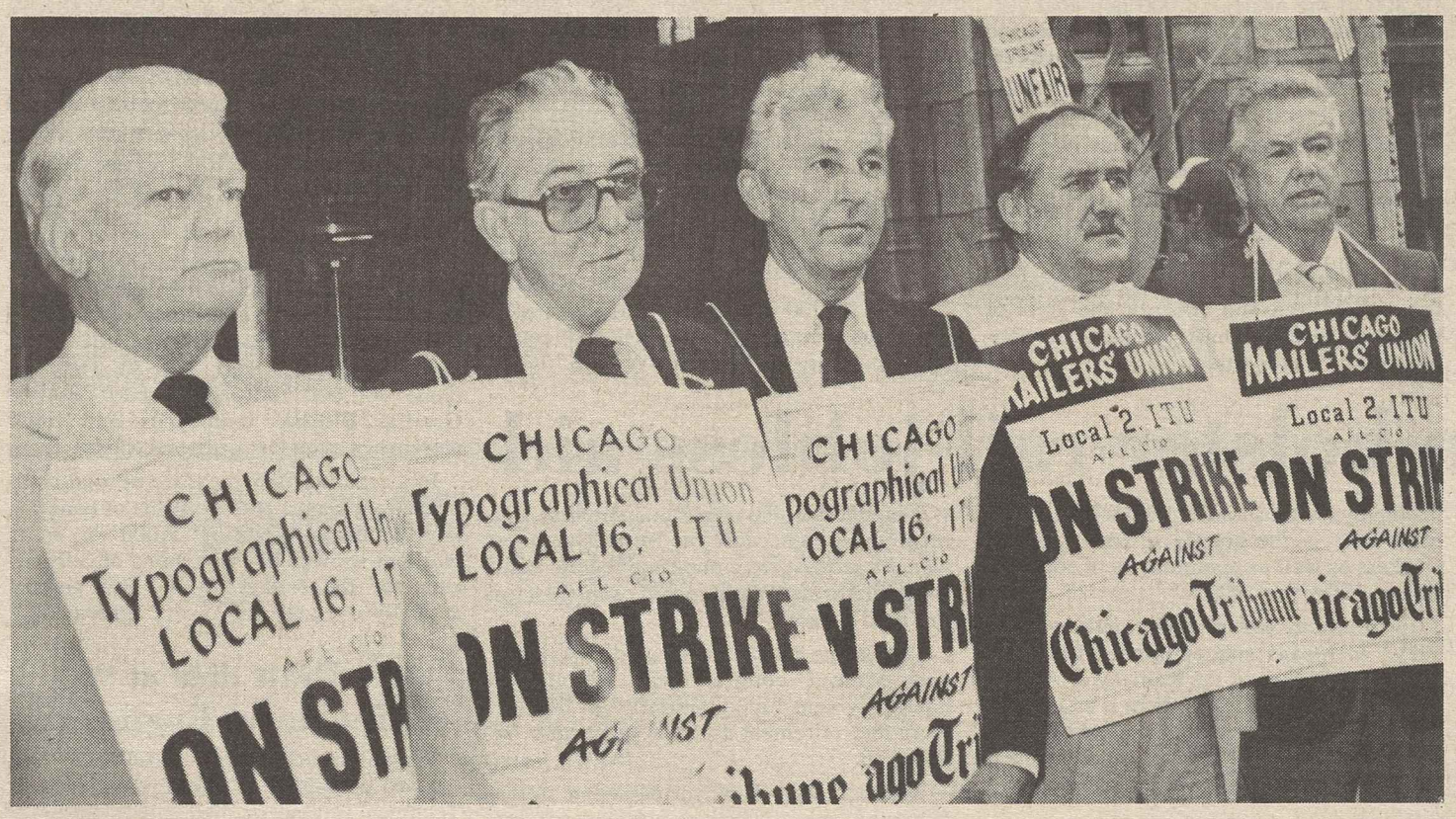
The 3rd U.S. Circuit Court of Appeals here overturned OSHRC's decision to void the safety violations, which involved the lack of exterior safety nets on perimeter walls and the lack of hard hats for workers.

### Arbitrary action

The Ironworkers and the BCTD were allowed by the appellate court to intervene in the case in support of the Labor Dept. The court ruled that the Occupational Safety & Health Administration's general standards on safety nets are not preempted by specific steel industry regulations. The three-judge panel said OSHRC "acted arbitrarily" in overturning the established precedent regarding safety nets.

The appeals court also overturned OSHRC's requirement that workers actually be exposed to the danger of a head injury before an employer can be held to have violated the requirements for hard hats. The court held "proof of access" by a worker to a zone of danger is sufficient for OSHA to act.

The U.S. Circuit Court for the District of Columbia in June made a similar ruling concerning the use of exterior safety nets.




# Picket-line solidarity

Typographical Union national officers join picket line in Chicago Tribune strike. From left: ITU President Robert S. McMichen, ITU Local 16 President Dave Donovan, ITU Sec.-Treas. Thomas W. Kopeck, ITU Vice President Allan Heritage, and Mailers Local 2 President John Philbin. Members of the ITU and the Graphic Communications Union are fighting to protect the jobs and pension rights of veteran employees and prevent the imposition of a two-tier pay system.



Margaret Seminario of the AFL-CIO and Michael Wright of the Steelworkers, members of an international trade union commission on Bhopal, report its findings at a press conference in Washington.

# Bhopal chemical deaths laid to unsafe conditions

**Continued from Page 1**

plant between 1981 and 1984. The two unions representing the Bhopal workers had complained numerous times about the conditions at the plant, but their pleas went unheeded by the company and India's government, the report said.

The delegation's weeklong visit to India included meetings with government officials in New Delhi and Bhopal, representatives of the two trade unions at the plant and former workers of Union Carbide India Ltd. (UCIL), a subsidiary of UCC.

Management officials of UCC and UCIL declined to meet with the international delegation.

The commission concluded that the operating and maintenance errors that led to the MIC release were made by the management of the plant.

"Responsibility for the disaster also rests with UCIL's parent multinational, the U.S.-based Union Carbide Corp," the report said.

UCC had insisted on a process design requiring large MIC storage tanks, over the objections of its Indian engineers. Management-ordered design changes greatly added to the risk of a major disaster, the report said.

Michael Wright, the Steelworkers' health and safety director and also a member of the commission, explained to reporters that storage of large amounts of MIC, which is an intermediary in the production of the pesticide Sevin, was not necessary.

Three of the plant's four safety systems were inoperable at the time of the accident, the commission found. The refrigeration system, the vent gas scrubber, and the flare tower had been inoperative for between six weeks and six months.

Only the water spray system was working, but it was unable to reach the top of the 100-foot flare tower where the fumes were released.

The commission said the most likely cause of the accident was the seepage of water into the MIC tank during a pipe cleaning operation. Leaky valves and the lack of a "slip blind"—a device to prevent water from entering a pipe beyond a certain point—evidently allowed water to enter the MIC tank, it said.

Management reductions in personnel to unsafe levels and requiring workers to perform tasks for which they were not trained also contributed to the tragedy, the commission found.

## Jobs eliminated

Just one week before the accident, the second and third shift maintenance supervisor positions were eliminated. It was the responsibility of the maintenance supervisor to order installation of a slip blind.

In 1982, a UCC safety team cited 10 major concerns about safety at the Bhopal plant. It concluded, however, that there was "no situation involving imminent danger or requiring immediate correction." Several of these deficiencies contributed to the December 1984 accident, the commission said.

Adding to the severity of the accident, the report said, was the failure of UCIL and UCC to inform the public about MIC hazards and to instruct medical authorities about the proper treatment for persons exposed to MIC.

Plant siting, lack of disaster planning and inadequate action by government authorities also contributed to the magnitude of the tragedy, the commission said.

# MSHA inspectors bypass non-union surface mines

The failure of the Mine Safety & Health Administration for the past three years to conduct nearly 40 percent of the non-coal surface mine inspections it is mandated to make has its greatest impact on non-union workers.

The General Accounting Office, in a 112-page "briefing" paper, reported that the reduction in the number of MSHA inspectors by nearly one-third since 1980 has resulted in only 60 percent of the mandatory non-coal surface mine inspections being made.

GAO project director Bernard Unger, who is conducting the Labor Dept. review, said the data collected from MSHA field offices indicates that a number of mines have not been inspected at all during the past few years. The mine safety agency is required to inspect non-coal surface mines at least twice a year.

Unionized mining operations have been receiving at least the mandatory number of yearly inspections, reported Harry Tuggle, a mine health and safety specialist for the Steelworkers. Tuggle said MSHA field offices send him copies of the reports the inspectors file.

"Most all union operations are being inspected," he said. "The majority of those not being inspected—the other 40 percent—are where the workers don't having a mining representative, a union official to demand it."

## Out in the cold

Tuggle said, "MSHA is aware that we're watching. It's the unorganized miners that are left out in the cold. Many of those mines may have been seen only once in the last few years."

The GAO stumbled onto the mine safety agency's failure to meet its mandate. "We had no indication of the shortfall initially," Unger said.

Under the Reagan Administration, the MSHA set up a priority inspection system, similar to the high-hazard inspection targeting used by the Occupational Safety & Health Administraton. The problem was the agency lowered its sights, aiming only to complete as many inspections as its staff could make.

Each year since 1981, the agency reduced the number of inspectors and consequently reduced its goals, Unger said. The number of inspectors was reduced at a much higher rate than other types of field personnel, he noted.

While the agency was completing only 10,800 of the nearly 18,000 non-coal surface mine inspections it is mandated to make, it was telling Congress that it was effectively and efficiently meeting its legal requirements.

The MSHA is currently purging its inventory list of mines that have been shut down, so that it can better determine exactly how many mines it should be inspecting, Unger said.

There still remain differences of opinion between MSHA and GAO on the level of resources needed to make the mandatory inspections, Unger said.

# Baroody named to fill policy post at Labor

Michael E. Baroody, a White House aide with ties to Labor Sec. William E. Brock, has been nominated by President Reagan to be Assistant Secretary of Labor for Policy.

Baroody, 38, served in various posts at the Republican National Committee from 1977 to 1981, the period that Brock was the GOP national chairman. When Brock was appointed U.S. Trade Representative at the start of the Reagan Administration, Baroody came along as his executive assistant but then shifted to his present White House post.

The assistant secretary post he will fill, subject to confirmation by the Senate, has been vacant for more than two years. Its acting head is Everson Hull, who has the title of deputy assistant secretary.

# First-half wage settlements up slightly from '84 average

Major collective bargaining settlements reached in the first half of 1985 provided average first-year wage increases of 2.8 percent, up slightly from last year's gain of 2.4 percent, the Bureau of Labor Statistics reported.

The government's report on collective bargaining found that pay gains in major contracts—those covering 1,000 or more workers—provided increases averaging 2.9 percent a year when measured over the life of the contract, compared to 2.4 percent for the same period in 1984.

The wage gains were slightly lower than those won two or three years ago when the same parties negotiated their previous agreements.

Of the 850,000 workers covered by January-June 1985 settlements, more than 600,000 won wage increases averaging 4.4 percent in the first year and 3.8 percent a year overall. Nearly 200,000 had their pay frozen in the first contract year, but negotiated wage gains in the second and third contract years.

About 34,000 workers agreed to first year wage cuts averaging 10.4 percent and reductions totalling 5.8 percent over the life of the agreements. These settlements primarily were in construction, metal industries, transportation equipment and food stores.

Wage increases were negotiated in a number of industries, including public utilities, service, retail trade and trucking. First-year pay raises for non-manufacturing workers averaged 4 percent, with overall wage increases averaging 3.7 percent a year. Pay gains were 1.3 percent for the first year and 1.9 percent a year measured over the contract term for the 187,000 manufacturing workers covered by the first-half settlements. Construction workers won increases averaging 1.3 percent in the first year and 2 percent a year overall.

BLS noted that longer contracts generally provided higher wage boosts. Settlements for terms longer than three years averaged 4.3 percent for the first year against 3 percent for three-year contracts and 1.8 percent for contracts of one year or less.

## Not included

BLS pointed out that the first-half statistics do not reflect contract settlements for nearly a million workers under agreements that expired or were reopened during the period but were not resolved by June 30. These include 400,000 railroad workers, 80,000 General Electric employees and other workers in manufacturing and construction.

In a separate BLS measure of total compensation, wages plus the value of benefits, key contracts covering 5,000 or more workers showed average gains of 3.7 percent for the first year and 3.4 percent annually over the life of the agreement.

# Panel acts to bolster rail jobless aid

Railroad unions won an important first-round victory in a campaign to continue a separate railroad unemployment insurance system that the Reagan Administration is trying to abolish.

The Administration has cited the deficit the railroad fund incurred in recent years in proposing that the separate system be abolished and rail workers put under regular state unemployment insurance programs.

Instead, the House Ways & Means Committee approved legislation to deal with the deficit through a rise in employer payments and renewed authority for temporary borrowing from the railroad retirement fund to the unemployment account.

This was generally in line with recommendations of a committee of union, management and public members established by Congress to consider changes in the railroad unemployment insurance program. The railroad fund is the source of sick pay for workers as well as unemployment compensation.

In testimony earlier this month before a Ways & Means subcommittee, President Richard I. Kilroy of the Railway & Airline Clerks stressed that the system is essentially sound. It worked well from its establishment in 1939 until it was hit by an unprecedented drop in railroad employment, he stressed.

## Employment drop

Between July 1, 1981, and Jan. 1, 1983, the number of railroad employees tumbled from 514,000 to 388,000, a drop of 25 percent in 18 months. "No system of unemployment compensation could have withstood that strain," Kilroy contended.

The increase in management payments was higher than the tripartite committee had recommended because the House panel rejected a request for a one-time federal contribution through forgiveness of interest on the fund's debt.

The Senate has not yet acted on the issue, and without congressional action the unemployment fund's authority to borrow from the retirement account will expire on Sept. 30.

The increased employer payments in the House bill are estimated as sufficient to wipe out the unemployment fund's debt by the year 1990.

While the House committee action does not preclude a shift to the state unemployment compensation system, restoring the present system to solvency would nullify the principal argument for a change. The railroad program provides uniform benefits.

## Foster Pratt dies at 96, led Technical Engineers

Santa Barbara, Calif.—Foster J. Pratt, former president of the Professional & Technical Engineers, died in his sleep at the Samarkand Health Center here. He was 96.

Pratt served as president of the IFPTE from 1943 to 1948. In 1949, he was named to serve as a liason officer in Europe with the Economic Cooperation Administration (Marshall Plan).

Survivors include his wife and three children.

# EDITORIALS

## Roots of the Deficit

THE HUGE RISE in the federal deficit under President Reagan was deliberately engineered to compel a radical shrinking of the non-military functions of government.

Few in the White House establishment that shaped a strategy of slashing taxes and raising military expenditures simultaneously took seriously the voodoo economics that projected increased revenues from this devil's mixture. But without the pressure of a budget crisis, the Administration strategists rationalized, Congress was unlikely to find the political courage to abolish entire programs and reverse the course of government.

There was never much of a secret about the intent. The Reagan Administration was still in its first year when David Stockman's frank disclosure of doctoring budget computers to obtain optimistic projections found its way into print. Stockman was chastised by the President for talking so frankly, but no one at the White House contradicted what he said.

Only the most naive were surprised when the growth in the budget deficit demonstrated that the so-called supply side economic theory had not repealed the laws of simple arithmetic. But when the chairman of the President's Council of Economic Advisers, Martin Feldstein, suggested that a tax increase was necessary before the deficit got out of control, he was publicly rebuked by the White House staff and eventually resigned.

The economic gospel, as expounded by President Reagan during the last election campaign, was that there was no link between taxes and a balanced budget.

JUST A few days ago, Senate Republican leaders were sternly rebuked by the President for proposing an oil import tax to offset some of the rise in military spending in this year's budget.

One of the Republican budget conferees responded angrily that "the President has sold us down the river."

But for those who had ears to hear and eyes to see, today's budget crisis was clearly predictable—and authoritatively predicted—when an earlier Congress so rashly rubber-stamped a deficit-breeding budget policy.

The AFL-CIO was almost a voice in the wilderness in proposing revenue-raising tax reforms—which still could resolve the budget dilemma—and in suggesting a temporary tax surcharge to pay for whatever higher level of defense spending Congress might deem necessary.

This much is clear. Whatever the past congressional sins of omission, the Reagan Administration must not be rewarded for its deceptions by gaining the objective of dismantling the legitimate and necessary functions of a federal government.

## The Trade Realities

WHENEVER Congress starts showing serious signs of concern at the growth in the nation's trade deficit, the Japanese government announces with great fanfare a new program to open up its markets to a greater influx of American goods.

The Administration applauds. Congress is appeased. And nothing much changes.

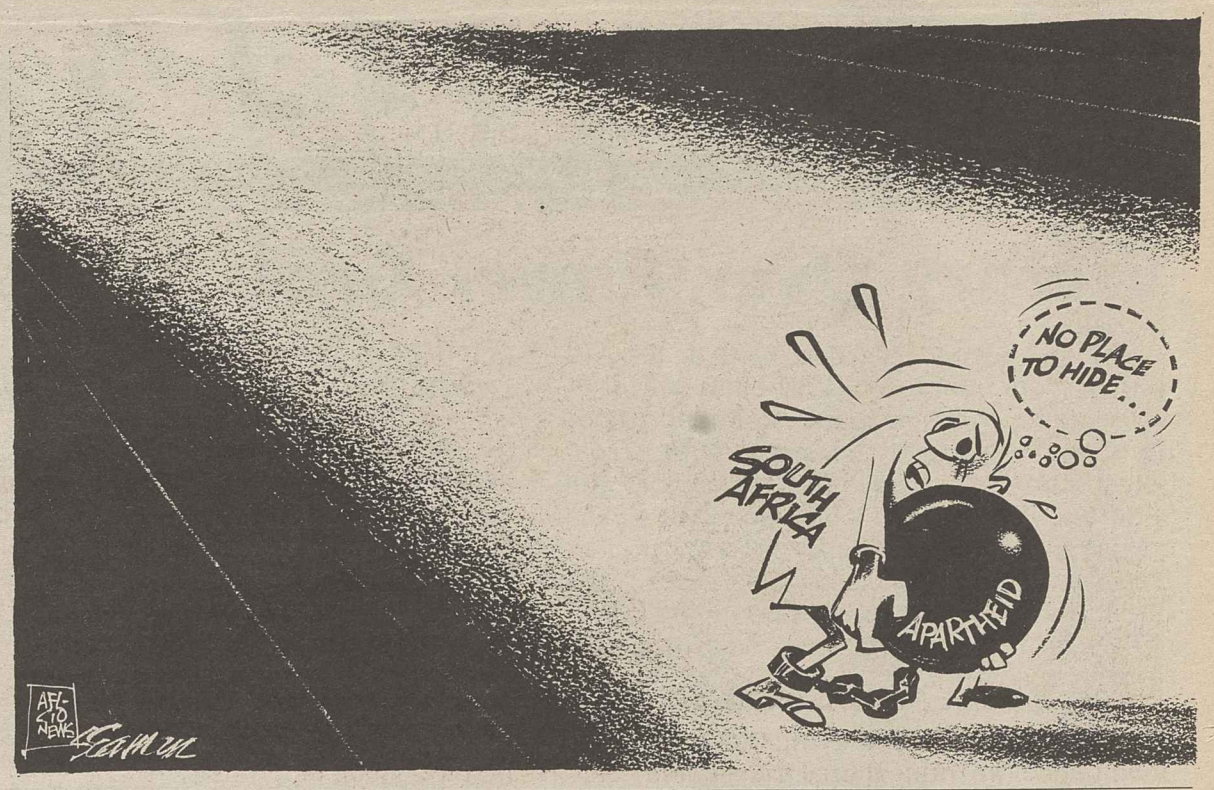
This time, finally, there appears to be a healthy skepticism on Capitol Hill, and even the White House is restraining its cheers.

After all, how excited can one get over a promise that legislation will be introduced in the next session of Japan's parliament to enable foreign lawyers to practice in Japan. Meanwhile, of course, the exports of Japanese autos continue to set new records.

Some steps that Japan has promised could contribute a little to easing the trade imbalance if they are in fact carried out. But considering the huge overpricing of the dollar and the myriad complex trade barriers, no one realistically expects an easing of Japanese domestic restrictions to turn around the deficit.

The hard reality is that the United States is continuing to lose jobs and industries. As long as the dollar is seriously out of alignment with other currencies, and other countries operate by one-way trade rules, the balance of trade will run against us.

Congressional action is overdue. This is the message that members of Congress must get from their constituents.




### Poor record cited

# 'Enterprise zones' skirt complex urban problems

**By Norman Hill**

New York—President Reagan's only idea about how to help America's depressed urban and rural areas is to endorse the creation of "enterprise zones," as set forth in a 1983 bill co-authored by Representatives Jack Kemp (R-N.Y.) and Robert Garcia (D-N.Y.) and to be introduced again in Congress.

The advocates of the zones are of two kinds: those who see them as a new idea for urban revitalization that breaks from the government "giveaways" of the 1960s Model Cities program, and those who accept the fact that urban and community development grants will be cut, and they might as well jump in and try for the only form of federal aid going. Into the latter category falls the U.S. Conference of Mayors, which is on record as supporting the plan, with the provision that the number of designated zones (now set at 75) be expanded to 300.

Under the plan, the federal government would offer tax cuts: new companies in a zone would be exempted from all capital-gains taxes and 75 percent of corporate income taxes. Their workers would also receive individual income tax credits.

The impulse behind the enterprise zone is good: to create attractive opportunities for businesses to open and create jobs in areas where they wouldn't normally want to operate.

### Expensive effort

The problems with the plan are several. First, the plan would mainly encourage already existing companies—those large enough to see a real advantage in the tax cut—simply to relocate, probably bringing their employees with them. It wouldn't encourage new businesses, or create new jobs, or help out the businesses and workers already in the neighborhood.

The president of the National Federation of Independent Business, John Sloan, says that the NFIB surveyed small business owners in 85 cities and "found taxes to be among the least of the problems for urban entrepreneurs. Far more important, especially for the labor-intensive retail and land service concerns that zones must attract if they are to cut unemployment significantly, are access to capital and a qualified labor pool, immediate market viability, adequate police protection, and affordable insurance."

During hearings in 1982 on proposed zones in Boston, Boyce Slayman, a businessman from the poverty area of Roxbury, spoke for a task force of black-owned small businesses when he said the proposed tax incentives would do little for young, struggling businesses and even displace local housing stock.

### Plan problems

Another problem is that there are a great many more than 75, or 300, depressed urban and rural areas. Cities and states already see the need to compete with each other for the "advantage" of not seeing businesses move out; eventually they would be clamoring for more zones to be created. The U.S. Treasury and the Senate Finance Committee estimated that the 75-zone plan would cost $1.3 billion over the projected experiment period. With more and more zones, the costs would go up accordingly—hardly a cheap or painless road to renewal, especially if it doesn't work.

Enterprise zones already put in by states and cities have a poor record. A 1983 study by the Sabre Foundation, which is a strong advocate of the idea, tries to put the best light on it, but even its own figures show that the "average" zone saw 1.9 businesses start up—and 29 percent of the new companies found in the study are located in one building!

Problems of unemployment and urban blight are complex—and the sooner we all realize that there is no quick fix, the soooner we'll be able to carry out the mix of sensible public and private initiatives—job training, job creation, tenant owned housing, education, church leadership, low interest loans for new businesses—necessary to fight poverty in our cities and towns.

*Norman Hill is president of the A. Philip Randolph Institute.*

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AFL-CIO LEGISLATIVE

# ALERT!

# Victory Over Power Grab Protects Programs

Labor-backed programs won an important victory on July 18 when a bill that would give the President so-called "line-item" veto authority was prevented from being considered on the floor of the Senate. The bill, S. 43, would allow an unwarranted and perhaps unconstitutional transfer of power from Congress to the President. Congress would be giving up its ability to make up its own mind in appropriations matters.

It would allow the President, for example, to single out and eliminate such programs as Amtrak, mass transit aid economic development administration funding, among others, after Congress had already appropriated the funds for these programs as part of an overall funding program that had been passed by the House and Senate.

If the President had the line-item veto authority, he would no longer feel obligated to bargain with Congress on appropriations measures.

The AFL-CIO has been in the forefront of the fight against this measure because it represents a constitutional end-run that will have little meaningful effect on federal budgetary deficits, while surrendering to the Executive Branch fiscal powers that rightly belong to Congress.

The issue is not dead, however, as Sen. Mattingly has indicated that he may attempt to attach the language of his bill to an appropriations measure in September. Sen. Hatfield, though, has said that he will oppose any such maneuver.

The opposition to S. 43, sponsored by Senator Mack Mattingly (R-GA), was bipartisan. Senators Wendell Ford (D-KY) and Charles Mathias (R-MD) helped set the stage for successful opposition to the bill by reporting it out of committee unfavorably. And Senators Mark Hatfield (R-OR) and Robert Byrd (D-WV) led the successful filibuster against the measure on the floor of the Senate.

What You Can Do: Write or call those Senators who opposed cloture and prevented S. 43 from coming to a vote and thank them for their support on this vital issue. Also urge those who support cloture this time around to reject the line-item veto bill in future votes.

Following are those Senators who supported the AFL-CIO's position on the first vote against the Senate's consideration of S. 43, line-item veto bill. Victory on this vote set the stage for success on the two cloture votes that followed. Those Senators who supported labor's position against the line-item veto voted <u>against</u> the motion to close debate. Sixty votes were needed to close debate, and the line-item veto supporters were able to garner only 57.

Those who voted <u>right</u>:

| Democrats | | Republicans |
|---|---|---|
| Baucus (MT) | Johnston (LA) | Andrews (ND) |
| Bentsen (TX) | Kerry (MA) | Durenberger (MN) |
| Bingaman (NM) | Lautenberg (NJ) | Hatfield (OR) |
| Bradley (NJ) | Levin (MI) | Mathias (MD) |
| Bumpers (AR) | Long (LA) | Packwood (OR) |
| Burdick (ND) | Matsunaga (HA) | Specter (PA) |
| Byrd (WV) | Melcher (MT) | Weicker (CT) |
| Chiles (FL) | Metzenbaum (OH) | |
| Cranston (CA) | Mitchell (ME) | |
| Dodd (CT) | Moynihan (NY) | |
| Eagleton (MO) | Pryor (AR) | |
| Ford (KY) | Riegle (MI) | |
| Glenn (OH) | Rockefeller (WV) | |
| Gore (TN) | Sarbanes (MD) | |
| Harkin (IA) | Sasser (TN) | |
| Hart (CO) | Simon (IL) | |
| Heflin (AL) | Stennis (MS) | |
| Inouye (HA) | | |

Those who voted <u>wrong</u>:

| Democrats | Republicans | |
|---|---|---|
| Biden (DE) | Abdnor (SD) | Kassebaum (KS) |
| Boren (OK) | Boschwitz (MN) | Kasten (WI) |
| DeConcini (AZ) | Chafee (RI) | Laxalt (NV) |
| Dixon (IL) | Cochran (MS) | Lugar (IN) |
| Exon (NE) | Cohen (NE) | Mattingly (GA) |
| Hollings (SC) | D'Amato (NY) | McClure (ID) |
| Kennedy (MA) | Danforth (MO) | McConnell (KY) |
| Leahy (VT) | Denton (AL) | Murkowski (AK) |
| Nunn (GA) | Dole (KS) | Nickles (OK) |
| Pell (RI) | Domenici (NM) | Pressler (SD) |
| Proxmire (WI) | East (NC) | Quayle (IN) |
| Zorinsky (NE) | Evans (WA) | Roth (DE) |
| | Garn (VT) | Rudman (NH) |
| | Goldwater (AZ) | Simpson (NY) |
| | Gorton (WA) | Stafford (VT) |
| | Gramm (TX) | Stevens (AK) |
| | Grassley (IA) | Symms (ID) |
| | Hatch (UT) | Thurmond (SC) |
| | Hawkins (FL) | Trible (VA) |
| | Hecht (NV) | Wallop (WY) |
| | Heinz (PA) | Warner (VA) |
| | Helms (NC) | Wilson (CA) |
| | Humphrey (NH) | |

## Spread The Word . . .

**to your friends and neighbors about the proposed tax on your life-support benefits. Tell them to use the advertisement below in their local newspapers, church bulletins, and fraternal publications. This advertisement can and should be posted and printed in forums far beyond the union hall because it affects 140 million people.**

# New Job Disease Bill

A bill strongly backed by the AFL-CIO that would provide a fair and adequate compensation system for victims of occupational disease has been introduced in the House of Representatives.

H.R. 3090, sponsored by Rep. Pat Williams (D-MT), responds to the mounting crisis whereby 100,000 American workers die each year from occupational diseases.

- The bill creates a new Federal Occupational Disease Program.
- Asbestos victims would receive immediate coverage based upon a series of medical presumptions regarding this unique disease.
- Workers retain their rights to sue third parties; however, there would a dollar-for-dollar offset against the total court award.
- Coverage of additional diseases could occur through a trigger and rule-making procedure mandated to the Secretary of Labor.
- Finally, the bill creates a compensation insurance fund whereby covered employers must buy liability insurance, thus funding the program.

What You Can Do: Urge your Representative to cosponsor H.R. 3090, the Federal Occupational Disease Act of 1985.

## Rosty Threatens Hike In Benefits Tax

If you think that the proposed tax on employee benefits is in full retreat -- 'taint so. Committee Chairman Dan Rostenkowski in a speech to the National Press Club said that not only was his tax-writing Committee ready to sit down and begin work on a bill in September, but that he would be looking for new revenue sources in such places as employee benefits.

So are other members of the Ways and Means Committee, according to Rostenkowski. "A number of my colleagues are privately suggesting a return to some of the options contained in the first treasury proposal for both equity and revenue," he added.

The message is clear -- contact your Congressmen during the recess and state your unqualified opposition to <u>any</u> tax on fringe benefits.

## Did You Know?

**Congress is considering a Reagan Administration proposal to tax your vital life-support benefits!**

**Whether you work in a union or non-union facility, if you have health care provided by your employer, you face a tax on this necessity.**

***Other important benefits that would be taxed are:***

- **WORKERS' COMPENSATION**
- **UNEMPLOYMENT INSURANCE**
- **BLACK LUNG BENEFITS**

***You* can help stop these unfair taxes. Write, call, or see your Congressmen *today* and tell them *no* to any taxes on your crucial life-support benefits.**

**If you wish, cut out, sign, and send the message below to your Representative and Senators. The addresses are:**

**United States Senate**
**Washington, D.C. 20510**

**U.S. House of Representatives**
**Washington, D.C. 20515**

**Dear _____:**

**I am opposed to any legislation which will tax my hard-earned employee benefits and reduce my coverage. Protections like health, doctor and hospital care, life insurance, educational assistance, child care, etc., are my life-support benefits. Taxing them reduces my take-home pay and could cut benefits for myself and my family.**

**I am for tax fairness but let's first recover the huge tax cuts given to wealthy individuals and large corporations.**

**I'd like to know how you stand on this issue. Please let me know.**

**Sincerely,**

_____

_____

**(Please print.)** _____

# Social security at 50—its legacy and challenge

**By Gene Zack**

President Franklin Delano Roosevelt was in high spirits as he sat in the Cabinet Room of the White House that sultry Aug. 14, 1935, his leonine head cocked to one side, an infectious grin splitting his patrician face.

Arrayed behind him were Labor Sec. Frances Perkins, Sen. Robert F. Wagner (D-N.Y.) and members of the House Ways & Means Committee and the Senate Finance Committee.

''Today a hope of many years' standing is in large part fulfilled,'' Roosevelt said as, with a flourish, he signed the Social Security Act into law.

His jubilation was justified. Just six weeks earlier, FDR had signed the National Labor Relations Act, opening a new era for organized labor. Now he was moving the nation into a vast new arena, putting a floor of economic security under Americans demoralized and left destitute by the Great Depression.

The new law, Roosevelt said, ''gives at least some protection to...our citizens who will reap direct benefits through unemployment compensation, through old-age pensions and through increased services for the protection of children and the prevention of ill health.

''We can never insure 100 percent of the population against 100 percent of the hazards and vicissitudes of life,'' the President went on, ''but we have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age.''

Thus, with a stroke of his pen, Roosevelt set in motion a mechanism to deal with the manifold problems which people faced—and still face as America marks the 50th anniversary of this landmark legislation.

''The only thing we have to fear is fear itself,'' FDR had said on that raw March morning in 1933 when

**Continued on Page 4**

AFL-CIO news

VOL. 30, NO. 32
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AUGUST 10, 1985

MEMO FROM COPE
PAGE 8




**Picketing the Trib**

AFL-CIO President Lane Kirkland rallies support for striking printers, pressmen and mailers at the Chicago Tribune. Joining him on the picket line are President Robert Gibson of the Illinois AFL-CIO, left, and President Edward Brabec of the Chicago AFL-CIO. Typographical Union Local 16, ITU Mailers Local 2, and Graphic Communications Local 7 struck July 18, long after their contracts expired.

# Budget resolution avoids harsh cuts sought by Reagan

**By David L. Perlman**

Congress agreed on a budget resolution after two months of hard negotiations between the House and Senate, but President Reagan said it won't stop him from trying to kill off programs that Congress wants continued.

Reagan served notice that his veto pen will be ''hovering'' over every appropriations bill that comes across his desk. ''We're going to continue trying to eliminate programs,'' the President said at a news conference.

The budget resolution, which is not subject to veto, sets a ceiling on spending for various functions of government. The House-Senate budget compromise, agreed to before Congress began a five-week recess, takes a modest step toward deficit reduction without penalizing the elderly or the poor.

Despite Reagan's fulminations over the level of government spending, the congressional budget provides less spending authority and projects a smaller deficit than the budget the President submitted last winter. Congress refused to go along with the huge rise in defense spending Reagan proposed.

## Mixed blessing

The budget resolution was endorsed by the AFL-CIO despite labor's disagreement with some of its provisions.

House Budget Committee Chairman William H. Gray III and his fellow negotiators were praised by AFL-CIO Legislative Director Ray Denison for ''a successful defense of social security'' and for shielding programs that help the unemployed and low-income households from funding slashes.

Nearly all of the cuts in labor-supported functions were less damaging than the wipeout of programs originally proposed by Reagan or the slightly less drastic version shaped by Senate Republican leaders in consultation with the White House.

Nevertheless, Denison noted, deep cutbacks in Amtrak funds, mass transit assistance and the Economic Development Administration will put severe stress on needed programs.

Denison's letter to House members also expressed the AFL-CIO's regret that the congressional budget failed to provide additional tax revenue to fund the cost of government and hold down deficits. ''This

**Continued on Page 2**

# Court vindicates Pilots on United strike issues

Chicago—A federal district court judge here upheld the stand of the Air Line Pilots and ordered United Airlines to reinstate immediately more than 500 newly hired pilots who had refused to cross picket lines during ALPA's recent 29-day strike.

The court also ordered the company to end its system of ''superseniority,'' which allowed scab pilots first preference on new jobs or routes.

''We've been vindicated,'' ALPA President Henry A. Duffy declared. ''We are extremely satisfied with the outcome. The rights of striking airline workers under the Railway Labor Act have been upheld.''

United President James J. Hartigan said the court order would be implemented in a timely manner, pending a decision on whether to appeal.

During the strike, the ALPA characterized the airline's actions as ''union-busting'' and said the company wanted to get ''a pound of flesh'' by seeking unreasonable back-to-work demands after the economic settlement was reached.

Hartigan tried to smooth over the company's attitude and actions toward its workers by saying in essence, ''That's the way the game is played.''

He said in a statement, ''The matters decided in court were technical issues. Everyone should understand this was a matter of principle and not personal in any way.

**Continued on Page 2**

# Unemployment rate stagnating at 7.3 percent

**By James M. Shevis**

The nation's civilian jobless rate remained unchanged at 7.3 percent in July as the size of both the labor force and total employment grew at the same pace.

The Bureau of Labor Statistics reported an increase of 494,000 jobs as measured by its household survey. The labor force grew by 530,000, resulting in a near-wash.

By BLS's count, that left 8.5 million Americans without jobs. But the count does not include the 1.1 million so-called discouraged workers or the 5.6-million workers employed only part-time because of the unavailability of full-time jobs.

**Continued on Page 6**

# Pay equity study clears house test

The House failed to complete action on a pay equity study of federal jobs, but a test vote strongly indicated that the labor-backed bill will be approved when Congress returns from its recess after Labor Day.

It would establish an 11-member commission, including union representatives, to oversee a study of the government's pay and job classification system. The study would seek to determine whether discrimination is a cause of pay differences within the federal civil service. While the focus would be on pay differences between jobs held primarily by men and by women, it would also explore job concentrations affecting racial and ethnic minorities.

A similar bill, also sponsored by Rep. Mary Rose Oakar (D-Ohio), passed the House by a nearly unanimous vote in the last Congress. But this time around, conservative Republicans dug in their heels and are fighting the measure. One of their arguments against the bill is that any pay realignment recommended by such a study would be likely to cost the government money.

## Temporary setback

The legislation was set aside to allow the House to take final action on the budget resolution before the start of the recess. But before doing so, the House cleared the way for consideration of the pay equity bill by a 292-133 procedural vote.

On that roll call, 239 Democrats and 53 Republicans voted to call up the bill. Six Democrats and 127 Republicans were opposed. Among women House members, all 11 Democrats and eight of 11 Republicans voted to take up the legislation.

A Senate Government Affairs subcommittee is considering a companion pay equity study bill, and AFL-CIO Vice President Barbara B. Hutchinson expressed labor's strong support. The measure is cosponsored by Senators Daniel J. Evans (R-Wash.) and Alan Cranston (D-Calif.).

Hutchinson, who is women's department director of the Government Employees, said there is ''compelling evidence that sex-based wage discrimination exists on a massive scale.''

She rejected as simplistic the conservative

**Continued on Page 3**

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8/10/85



Building trades delegates hear Robert Georgine's keynote.

## Chicago convention

# Solidarity the keynote for Building Trades

Chicago—Union solidarity is needed more than ever on construction sites, in the legislative arena and on the organizing front, Building & Construction Trades Dept. President Robert A. Georgine told delegates to the department's 63rd biennial convention here.

Georgine and AFL-CIO President Lane Kirkland stressed in their opening-day addresses the trade union movement's battle to protect hard-won labor standards and to make unions more valuable to the workers they represent.

"We have to carry the trade union message to every man and woman who works for a living," Kirkland urged, "and we have to involve all of our rank-and-file members in the trade union mission."

Georgine said the building crafts, like other workers, have not recovered from the battering of the Reagan Recession—either in jobs or in wages.

"Thousands of our brothers and sisters are still out of work, or living on odd jobs," he reminded the delegates.

### High price

The Administration's boast of bringing down inflation, Georgine suggested, "was achieved at the expense of working people, union and non-union alike."

Convention delegates represented 4.1 million building trades workers in the department's 15 affiliated unions, and Georgine stressed the importance of unity in the face of "divide-and-conquer" tactics by some employers.

"We see contractors trying to play one trade against another, offering special deals that give one union work outside of its jurisdiction if they will do it at a lower rate," Georgine said.

"Our message must be clear and unmistakable," he said. "No deal." The same unity should govern relationships among the local building trades councils, he urged.

Georgine also called for:

- New organizing approaches to reach out to younger workers, and use of union financial resources to help create jobs for building trades members.
- Increased membership involvement, especially in politics and lobbying. Members "must know the problems confronting the construction trades so that they can become part of the solution."
- A market recovery program, in cooperation with fair employers, to retain and expand union construction jobs.

Kirkland welcomed the "front-line" commitment of construction unions "on the organizing front, the economic front and the political front."

Such union solidarity is especially needed, he said, when "many of the laws and instruments of government that were created to prevent the worst excesses of unfair employers have been subverted and placed in the hands of people who have no intention of administering or enforcing them."

Kirkland spoke of labor's campaign against the taxation of health insurance and other job-related protections and called on union members to let their congressmen and senators know that "this is an issue on which there can be no compromise."

It's an issue the trade union movement will remember "when the next election rolls around," he said.

# Pilots upheld on key issues in United Airlines dispute

**Continued from Page 1**

The pilot applicants are all competent airmen who we are sure will serve the airline well."

Federal District Judge Nicholas J. Bua ruled in favor of ALPA on two of the three key issues involved in the "back-to-work" dispute between United and the union.

The judge's 61-page ruling determined that United's decision to bar 556 of its pilot trainees from future jobs violated the Railway Labor Act. The company's attempt to require the trainees "to cross a picket line as a condition of employment is unlawful under the RLA," the judge said.

He issued an injunction ordering United to rehire the pilot trainees, placing those who have finished the training in line for pilot service immediately. Those still in training must be allowed to finish without discrimination, the judge said.

Scab pilots were allowed by the company to rebid for better positions and given "superseniority." The court struck down the rebid and ordered United not to discriminate against the striking pilots when better paying positions become available.

On a third issue, the court held that United did not violate the Railway Labor Act in agreeing to give premium pay to strike-breaking pilots hired during the job action. While these pilots will continue to receive premium pay, they generally will be placed at the bottom of the seniority list, below the pilot trainees.

The strike by the Pilots was extended to 29 days when the company attempted to impose back to work conditions as part of the agreement with the union.

"This shows we were completely justified in settling the strike when we did and relying on the court to uphold our rights under the law," Duffy said. The strike ended June 14 with an agreement on economic issues, but with the back to work dispute unresolved.

The company and ALPA tentatively settled the economic issues a week into the strike.

"The company then escalated the strike from an economic dispute to a battle for union survival," Duffy said. "It attempted to punish striking pilots and their supporters by trying to impose a punitive back-to-work agreement. This was a blatant attack on ALPA and an attempt to break it at United."

The Pilots' strike was strongly supported by the Association of Flight Attendants. ALPA members decided to stay on the picket line until the company reached an equitable back-to-work settlement with the AFA. That accord soon followed.

## ALPA sues to block drain of pension funds

Chicago—The Air Line Pilots filed suit against United Airlines charging that the carrier's attempt to withdraw $511 million from employee pension funds violates the Railway Labor Act and the Employee Retirement Income Security Act.

The suit, filed in the U.S. District Court for Northern Illinois, also names the Pension Benefit Guaranty Corp. and three members of United's pension committee as defendants.

The airline had announced in June it intended to recover nearly $1 billion by terminating its six pension plans and buying annuities to cover accrued benefits of eligible active workers and retirees.

The ALPA contract forbids reversion of pension funds until all pilot benefits are paid, the union said.

# Appeals court slaps NLRB, overturns 'successor' policy

A federal appeals court overturned a 1984 National Labor Relations Board ruling involving an Iowa meatpacking firm's successorship obligations—giving its workers "a tremendous victory," as President William H. Wynn of the Food & Commercial Workers put it.

The decision of the U.S. Court of Appeals for the District of Columbia, which was highly critical of the NLRB's handling of the case, clears the way for 420 UFCW members at the Spencer Foods, Inc., plant to receive backpay awards that could total as much as $30 million.

"Our members have been waiting six years for justice in this case," Wynn said. "The court's reversal of the NLRB's finding regarding the company's refusal to bargain is yet another instance in which appeals courts have had to reverse board decisions that have gone too far in their rulings against unions.

"This is further evidence that the Reagan board is tilted against workers, as we have said repeatedly."

The Spencer plant closed in late 1977 after expiration of UFCW Local 152's collective bargaining agreement. It reopened 20 months later under Land O'Lakes management with a new board of directors. Refurbished with new equipment, it switched exclusively to a kosher operation.

The company reduced the workforce to about 240 employees and refused to recognize or bargain with Local 152. As a non-union operation, it paid workers significantly less than workers were paid under the union contract.

The Reagan-dominated NLRB finally ruled in March 1984, after lengthy litigation, that the new employer was not a successor employer as the union maintained and was therefore not required to bargain with Local 152.

### Deliberate move

The appeals court rejected the board's finding and noted that "(Spencer Foods and Land O'Lakes) deliberately structured the transaction between them . . . so as to retain and continue Spencer Foods' pre-existing corporate identity."

The court agreed with an NLRB administrative law judge's finding, which had been overturned by the full board, that the "same work continued . . . at the same place, with the same or substantially similar procedures, processes, and machinery" and should be construed as a successor employer.

The court remanded the case to the NLRB for review and to reconsider the administrative law judge's recommendations that the laid-off union members be recalled and awarded backpay.

Although the Spencer plant currently is not operating, the court's ruling requiring recognition of the union is binding on any future management, and the backpay owed the former workers must be paid regardless of whether the plant is operating.

# *Budget resolution avoids harsh cuts*

**Continued from Page 1**

decision will eventually have to be reconsidered as deficits continue to grow," Denison predicted.

The budget resolution establishes spending ceilings for various government functions and sets a Sept. 27 deadline for congressional committees to propose any changes in existing law needed to achieve those goals. In Reagan's first term, he used the budget process to put through most of his economic program soon after taking office. That combination of sharply increased defense spending and big tax cuts caused the huge deficits of recent years.

Largely because of past budget decisions, defense spending will rise by $15.1 billion in the fiscal year starting Oct. 1, 1985, and new spending authority will increase to offset inflation. Reagan had asked for an after-inflation rise of 5.9 percent. The other big dollar increase is the interest on the national debt, which is projected to rise by $11 billion.

Outlays for nondefense programs would decline by $12.3 billion. And if social security payments are excluded, the domestic spending decline comes to $30.25 billion.

Domestic programs serving low-income people would in most cases receive full funding based on anticipated caseload, including an allowance for inflation. These include Aid to Families with Dependent Children, child nutrition, and education programs for the disadvantaged or handicapped.

Savings in both Medicaid for the poor and Medicare for the elderly would be achieved through insurance collections and cost controls, not through cutbacks in coverage.

Federal retirees would continue to get their cost-of-living adjustment, as would social security beneficiaries. But the budget assumes a one-year pay freeze for civilian federal employees. Reagan's budget had called for a 5 percent pay cut.

### Rate increase

Postal subsidies, which are essential to many non-profit publications, would be reduced but not abolished as the Senate had sought. The anticipated effect is that a rate increase for non-profit publications, scheduled for July 1, 1986, under present law, will take effect six months earlier.

Amtrak subsidies, which the Administration wanted to end entirely, and mass transit funding, which it proposed to severely restrict, would be cut 15 percent.

Community and regional development programs the Reagan Administration wants to abolish would be continued, but with a 20 percent funding cut.

General revenue-sharing to states and cities would be fully funded next year but then abolished.

As he has in the past, President Reagan ignored his own role in proposing deficit-breeding budgets and chided Congress for "overspending." He renewed his call for a balanced budget constitutional amendment to prohibit Congress from spending more than the revenue that comes in from taxes. And he made clear his continued resistance to any form of tax increase.

The President's intransigence on taxes and his waffling on the social security cost-of-living adjustment brought open criticism from the Senate's Republican majority. Reagan had embraced a cutback in the social security COLA when the Senate narrowly adopted it as a budget deficit-reducer. But he switched and opposed its inclusion in the final version.

At his news conference, Reagan also renewed his request for line-item veto authority, which would allow him to kill specific programs unless Congress could muster a two-thirds vote to override. But legislation to allow this has been blocked in the Senate and is unlikely to pass the House.

# AFTRA sets proposals for negotiations

Miami—Framing proposals for forthcoming national negotiations with the broadcast industry absorbed much of the 48th annual convention of Television & Radio Artists.

In addition, delegates adopted a number of resolutions and elected officers.

At a plenary session of AFTRA's national board, Executive Sec. Sanford I. (Bud) Wolff submitted his resignation after 16 years in his position. The board named his assistant, John C. Hall, Jr., to succeed him.

Wolff, who will remain a consultant to the union, plans to practice law in New York. He said that his decision to leave the union's top administrative post was made with "great reluctance."

The board accepted his resignation "with regret, commendation, and great gratitude" for his service to the union.

## Union career

Hall recently was elevated to the position of associate national executive secretary after having served as assistant national executive secretary since 1977.

Before he joined AFTRA, Hall was assistant to the president of the Musicians and from 1966 to 1975 served as assistant to the president of the Theatrical Stage Employees.

The new executive secretary also has represented entertainment unions abroad and in international labor forums.

AFTRA President Frank Maxwell, who was re-elected to his second term, commended Wolff for his long leadership and expressed gratitude that he was staying on as a consultant.

New York Local President Ann Loring was re-elected national first vice president, and Kenneth Roberts of New York was elected treasurer. Elected recording secretary was Mike Botula of Los Angeles.

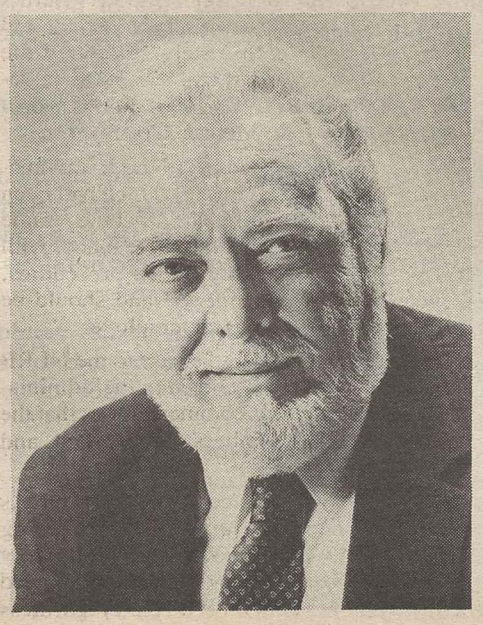
Other national officers elected were Vice Presidents K. T. Stevens of Los Angeles, Peter Hackes, Washington-Baltimore; Belva Davis, San Francisco; Shelby Scott, Boston; Kenneth Barry, Dallas; Chris Ward, Fresno, Calif., and Lee Lawson of New York.

## Key resolutions

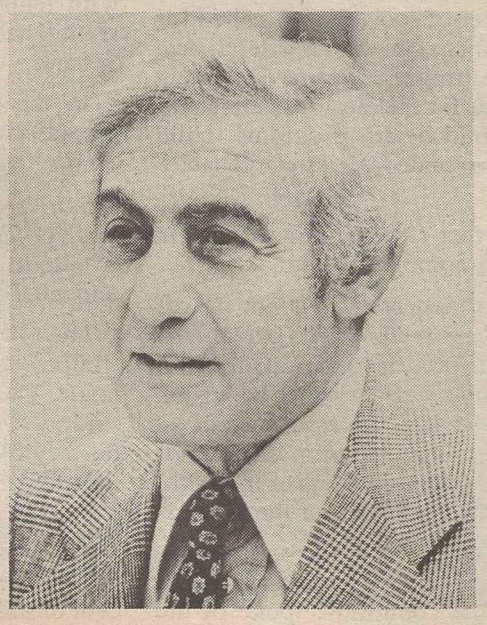
Most of the resolutions passed at the convention dealt with internal matters. Others called for:

- A study by the union's pension and health fund trustees into the possibility of divesting holdings in companies operating in South Africa in support of the apartheid regime.
- Additional procedures for monitoring progress on equal rights in employment practices.
- Authorizing the national board to hire additional staff members to step up organizing.
- Development of procedures to deal with sexual harassment on the job.
- Intensifying the use of new technology to monitor TV broadcasts to insure payment of residual fees to members.

AFTRA's Gold Card Award, the union's highest honor, went this year to Dan Mallinger, longtime executive secretary of the AFTRA local in Pittsburgh. The award is for distinguished service to AFTRA and its members.



John C. Hall, Jr.



Sanford I. Wolff



Labor songwriters and performers "roll the union on."

# Labor Day songfest on TV

"Singing for the Union," the first program in this season's "America Works" television series, will be broadcast nationwide over the Labor Day weekend.

The half-hour show features the Great Labor Song Exchange, an annual sing-in sponsored by the Labor Heritage Foundation and held at the George Meany Center for Labor Studies.

The program, to be aired on more than 110 local public broadcasting stations, spotlights the new breed of labor troubadours who are writing songs about contemporary workplace issues, such as safety, health, technology and women workers.

"Singing for the Union" is an upbeat show that offers inspiration and insight into the role of contemporary union music in the labor movement.

Workers from many unions use music to communicate the message of solidarity. Their songs are often humorous or satirical, but they are always to the point.

The Labor Institute of Public Affairs, the AFL-CIO's television unit, produced the show which includes brief reflections on the significance of music in the labor movement by Joe Glazer, a prolific labor songwriter and historian. Other union songwriters and performers tell how to use words and music to voice workers' concerns.

Individual local stations make their own decisions about whether and when to air the show. Local station schedules should be checked for the air time of the program.

# *South Africa's mine workers issue strike call*

The crisis in South Africa generated by black opposition to white minority rule deepened as the country's principal black mine workers union announced plans for a strike over pay.

The National Union of Mine Workers, which represents 230,000 black workers in South Africa's gold, diamond and coal mines, set the strike date for Aug. 25.

Announcement of the planned walkout came two weeks after the Pretoria government implemented a crackdown on black protesters.

The emergency declaration amounted to virtual martial law. Police have detained more than 1,400 people, mostly blacks, under the decree, holding them without charge in most cases. Twenty persons have been killed.

The AFL-CIO has condemned the emergency declaration, calling it the most extreme violation of blacks' basic rights since the 1960 Sharpesville massacre.

The International Labor Organization urged the South African government to release 24 trade union officials and shop stewards detained in the police roundup, and to seek a solution to the cause of unrest through a democratic dialogue with the black majority.

# Texas AFL-CIO convention adopts 'New Directions' plan

Austin, Tex.—A "New Directions" program that includes establishing an associate membership category, a worker benefit trust, and a labor-management task force was adopted by the delegates to the Texas AFL-CIO convention held here.

The convention delegates used the AFL-CIO's new report, The Changing Situations of Workers and Their Unions, and the keynote address of Federation Sec.-Treas. Thomas R. Donahue as guidelines for many of the new proposals made by the convention's 16 committees.

A permanent labor-management task force will be set up to encourage develop of labor-management committees by local unions to help improve the quality of work life and create new jobs.

A worker benefit trust committee will be formed to explore and negotiate for benefit packages that can provide the highest level of benefits for the dollars spent.

## Organizing aid

In authorizing a new associate membership category, the delegates envisioned it as an aid to increasing union membership and as an organizing tool in identifying pro-union workers in non-union shops.

The New Directions program was proposed by State AFL-CIO President Harry Hubbard, who was re-elected without opposition to his seventh two-year term. Sec.-Treas. Joe D. Gunn also was re-elected. Hubbard is a member of the Oil, Chemical & Atomic Workers and Gunn is a member of the Communications Workers.

Hubbard told the delegates the New Directions program will include an internal polling system "so we'll know what our members think, not what someone else tells us they think." The federation installed a computer system two years ago which could be used for a polling operation and for "a more sophisticated union member voter contact program," Hubbard said.

The convention's 604 delegates heard Gov. Mark White call for a $5-a-barrel import tax on refined oil products. Texas refineries have laid off thousands of workers, blaming imports of refined gasoline and fuel oil for the mounting layoffs.

White warned that on its present course the nation risks doing "to ourselves what would have won World War II for the Germans—destroy our own oil refineries."

National Democratic Party Chairman Paul Kirk brought delegates to their feet in applause by saying, "We want some changes in the Democratic Party, but we don't need two Republican parties."

Kirk told the delegates that the party is building a new technological expertise to assist Democratic candidates at all levels.

In a resolution, the delegates called on Congress to approve legislation to provide stiff penalties for employers who hire illegal aliens, limit the number of temporary workers allowed in the United States, and provide amnesty for those illegal aliens already working in America.

In other resolutions, the convention supported legislation to prevent companies from cashing in on worker pension funds, to raise the state's agricultural minimum wage from $1.40 per hour to $3.35 per hour, and to block further concentration of the media in the hands of a few giant corporations.

Among the other guest speakers were Postal Workers President Moe Biller, former State AFL-CIO President Hank Brown, Lt. Gov. Bill Hobby, Agricultural Commissioner Jim Hightower, and Wilbert Williams, administrator of AFL-CIO Region IV.

# Pay equity study clears House test

**Continued from Page 1**

argument that supply and demand determines the value of jobs in the labor market.

"Labor markets are a mixture of supply and demand, bargaining power, expectations of career commitments, historical understandings of 'fair' wages, and individual prejudices," she maintained. "There are numerous opportunities for discriminatory wage-setting practices to becomes established and ingrained."

Earlier, at House hearings on the Oakar bill, the AFL-CIO Industrial Union Dept. stressed "the fundamental principle of pay equity" that "there should be no wage discrimination based on sex or race."

Brian Turner, the IUD's director of legislation and economic policy, said the federal government "should embody the principles of fairness and equity" in its role as an employer.

# Social security in its 50th year

## *The legacy and the challenge*

**Continued from Page 1**

he took the oath of office as the 32nd President of the United States.

But people had much to fear—dependency, old age, illness, family tragedies, unemployment, helplessness.

It was a period of great anguish for the American family. More than 15 million breadwinners were jobless; many had lost their homes and farms; the few who had been able to set aside some savings, however meager, had stood by helplessly as the fruits of a lifetime of work were wiped out by bank failures.

Even without the Depression, the America of half a century ago was a grim and frightening place for old people. Pensions were practically unheard of. Workers dreaded the day when, as a union song puts it, they would become "too old to work and too young to die."

Some were fortunate enough to have children who took them into their homes; the rest saw nothing at the end of life's road but the poorhouse. Squalid and mean, tucked away out of sight on the outskirts of town, the poorhouse loomed large in people's minds. It was here that thousands of the elderly were forced to live out their days when their productive years came to an involuntary close.

The concept of protecting workers against the loss of income due to unemployment or old age was hardly a new one. Such insurance plans, in one form or another, had existed in the industrialized nations of Europe for several decades

But it took a long time for the idea to catch hold in this country.

### First step

In 1912, the Progressive Party was the first to go on record in favor of old-age pensions, but in the years which followed, what little action there was on this front took place on the state level. In the Twenties, eight states enacted some form of pension law, but they were optional, and largely ineffective. By 1933, fewer than half the states had such laws, with payments based strictly on a demeaning "means" test, and with coverage varying tremendously from state to state.

As for unemployment compensation, the record was even more dismal. Only one state—Wisconsin—had a jobless benefit law, which required each firm to set up its own unemployment reserves to take care of its own employees. There was no pooling of resources, and this proved disastrous during the Depression when it became obvious that mass unemployment resulted from conditions beyond the control of a single firm or a single industry.

The Democratic Party platform of 1932 advocated "unemployment and old-age insurance under state laws." But it was apparent to FDR and his advisers that the states, alone, could not handle the problem. If unemployment was national in scope, so were the problems of the aged; dealing with them effectively would require federal involvement.




*The author, Gene Zack, is a former staff director of the Save Our Security coalition and a former assistant editor of the AFL-CIO News.*

But first things first.

Swept into office with a broad mandate to do whatever was necessary to set the national house in order, the Roosevelt Administration focused its first attention on putting America back to work—establishing the Works Progress Administration and the Public Works Administration to give the jobless the dignity of work instead of handouts, passing the National Recovery Act to rehabilitate industry and improve working conditions, and creating a host of other programs to fuel the economic engine.

Then, the emergency measures well in place, the Administration turned to longer-range goals.

In a message to Congress on June 8, 1934, FDR spoke of the "task of reconstruction," declaring that "among our objectives, I place the security of the men, women and children of the nation first."

People, he said, "want some safeguard against misfortunes which cannot be wholly eliminated in this man-made world of ours," adding that it was vital "to employ the active interest of the nation as a whole through government in order to encourage greater security for each individual.

"Fear and worry based on unknown danger contribute to social unrest and economic demoralization. If, as our Constitution tells us, our federal government was established among other things 'to promote the general welfare,' it is our plain duty to provide for that security upon which welfare depends. I am looking for a sound means which I can recommend to provide at once security against several of the great disturbing factors in life—especially those which relate to unemployment and old age."

Three weeks later, on June 29, Roosevelt signed Executive Order No. 6757, establishing a Committee on Economic Security, charged with dealing with these complex, interrelated issues.

### Blue-ribbon panel

This was no ordinary commission. It was a blue-ribbon panel composed of the principal officers of government. Chairing the committee was Labor Sec. Frances Perkins, the first woman Cabinet member in history. The other members were Treasury Sec. Henry Morgenthau, Attorney Gen. Homer Cummings, Agriculture Sec. Henry Wallace and Federal Emergency Relief Administrator Harry Hopkins.

The Committee labored for seven months to come up with recommendations which were breathtaking in scope—calling for creation of a national mechanism to assure the dignity and independence of the individual, the integrity of the family, and the stability and purchasing power of the community.

This fundamental charter of social policy called for a federal system of retirement benefits, a federal-state unemployment insurance program, aid to dependent children, federal assistance for the disabled and handicapped, maternal and child health programs, child welfare services, and an expanded vocational rehabilitation program.

Emphasizing the fact that "there is insecurity in every stage of life," the committee said:

"When earnings cease, dependency is not far off for a large percentage of our people. The one almost all-embracing measure of security is an assured income. A program of economic security, as we vision it, must have as its primary aim the assurance of an adequate income to each human being in childhood, youth, middle age, or old age—in sickness or in health. It must provide safeguards against all of the hazards leading to destitution and dependency."

Addressing itself, at some length, to the issue of national health insurance, the committee spoke of the need for helping "self-supporting families of small and moderate means to budget against the loss of wages on account of illness and against the costs of medical services. . . .

"Insurance against the costs of sickness is neither new nor novel. In the United States we have had a long experience with sickness insurance both on a non-profit and commercial basis. Both forms have been inadequate in respect to the protection they furnish and...commercial insurance has in addition been too expensive for people of small means. . . .

"In contrast, other countries of the world have had experience with compulsory health...insurance applied to over a hundred million persons and running over a period of more than 50 years. Nearly every large and industrial country of the world except the United States has applied the principle of insurance to the economic risks of illness."

While commending a system of national health insurance in principle, the committee chose not to recommend immediate enactment. The medical lobby, FDR had told them candidly, was too powerful; it would surely defeat the entire program if national health insurance were included.

Two days after receiving the report, Roosevelt sent it to Congress with his plea for swift enactment.

"The establishment of sound means toward a greater future economic security of the American people is dictated by a prudent consideration of the hazards involved in our national life," he told Congress. "No one can guarantee this country against the dangers of future depressions but we can reduce these dangers. We can eliminate many of the factors that cause economic depressions, and we can provide the means of mitigating their results. This plan for economic security is at once a measure of prevention and a method of alleviation.

"We pay for the dreadful consequence of economic insecurity—and dearly. This plan presents a more equitable and infinitely less expensive means of meeting these costs. We cannot afford to neglect the plain duty before us."

### Voices of alarm

No sooner had the message reached Capitol Hill than a drumfire of criticism came from the business community.

"Unemployment insurance cannot be placed on a sound financial basis," said the National Industrial Conference Board.

The legislation would lead to "ultimate socialistic control of life and industry," said the National Association of Manufacturers.

Organized labor weighed in on Roosevelt's side. Said AFL President William Green:

"Congress...must make substantial provisions for those emergencies which have always been with us. Since they are beyond the ability of the individual to prevent or to provide for responsibility rests on society."

Taking a stand which would guide labor's approach to social security down through the decades, Green made it clear that workers were willing to pay their fair share to make the program fiscally sound. "It is very much better to have contributions as a fixed charge on earnings and industries than to meet unexpected tax rises," he said, adding an ominous warning:

"So much has been promised in the way of jobs and social security, that delay in determining a program increases the number who turn to radical movements and dangerous leaders."

In the nation's press, FDR was vilified for what was labeled a socialistic "cradle-to-the-grave" scheme.

Unruffled, Roosevelt confided to Frances Perkins: "There is no reason why everybody in the United States should not be covered. I see no reason why every child, from the day he is born, shouldn't be a member of the social security system."

On Capitol Hill, the measure was put on a fast track, with legislators taking the unusual step of holding simultaneous public hearings in both the House and Senate.

In the House, opposition was led by the seven Republicans on the Ways & Means Committee.

"The federal government," they said in their minority views, "has no power to impose this system upon private industry...they would not in any way contribute to the relief of present economic conditions, and might in fact retard economic recovery."

The bill's provisions, the Republicans said, would "impose a crushing burden upon industry and upon labor. They establish a bureaucracy in the field of insurance in competition with private business. They destroy old-age retirement systems set up by private industries, which in most instances provide more liberal benefits. . . ."

The notion that private pension plans would be undercut was patently absurd. In 1935, only 15 percent of those employed held jobs covered by any sort of retirement system; only a tiny handful—perhaps 100,000 to 200,000—actually were drawing pensions.

On the House floor, the Republicans continued their assault, led by three New York congressmen.

"Never in the history of the world," said Rep. John Taber, "has any measure been brought in here so insidiously designed as to prevent business recovery, to enslave workers, and to prevent any possibility of the employer providing work for the people."

"The lash of the dictator will be felt," insisted Rep. Daniel Reed, "and 25 million free American citizens will for the first time submit themselves to a fingerprint test."

"This bill," said Rep. James W. Wadsworth, "opens the door and invites the entrance into the political field of a power so vast, so powerful as to threaten the integrity of our institutions and to pull the pillars of the temple down upon the heads of our descendants."

On a crucial test vote, all but one of the House Republicans voted to recommit the bill. When that failed, the opposition collapsed. On Apr. 19, 1935, the House passed the measure by a vote of 371 to 33.

The Republicans in the Senate made a last desperate stab at derailing the bill, with Sen. Daniel O. Hastings of Delaware predicting darkly that it would "end the progress of a great country and bring its people to the level of the average European."

Twelve of the Senate's 19 Republicans supported a move by Hastings to strike out old-age insurance; when it failed, the fight was over. On June 19, by a vote of 76 to 6, the bill passed.

House and Senate conferees bickered over the measure for seven weeks, then sent the bill to the President.

In the historic White House signing ceremony on Aug. 14, Roosevelt made it clear that the bill was only the beginning of a new social policy destined to transform American life.

"This law," he said firmly, "represents a cornerstone in a structure that is being built but is by no means complete."

The AFL's William Green agreed.

"This act seeks to express as a national policy and practice our sense of obligation for those victims of forces beyond their control," he said. "This expresses the deep feeling of responsibility which society has for the persons made dependent through no fault of theirs. . . . We hope ultimately we can solve the problems of incomes for all."

## Campaign centerpiece

Although the bill was now law, opposition continued and social security became a centerpiece in the 1936 presidential campaign.

Alf Landon's frontal assault came as a surprise. As governor of Kansas, he had put through legislation conforming his state's social security law to the new federal statute.

But midway through the campaign he unleashed a blistering attack on social security. The law, he said in a speech in Milwaukee on Sept. 26, was "unjust, unworkable, stupidly drafted and wastefully financed. The Republican party will have nothing to do with any plan that involves prying into the personal records of 26 million people.

"To call it 'social security' is a fraud on the working man," Landon went on. "To enact unemployment insurance statutes is something unheard of. It is most unwise."

The Republicans were joined by business leaders who bombarded workers with pay envelope stuffers on the weekend before the election. One of the items was made to look like an official government release, and used such emotionally laden words as "compulsion," "bureaucracy," "regimentation" and "socialism."

James A. Cox, the Democratic presidential candidate of a dozen years earlier (FDR had been his vice presidential running mate), had a ready answer for American workers: "Why didn't the boss put any political propaganda in your pay envelopes four years ago? Because there wasn't any pay envelopes."

On the day before the election, the Hearst newspapers let loose a final diatribe.

"You will have a record in the files in Washington," Hearst warned. "Your religion and the church you attend will be listed. Your physical defects will go down in black and white. Your life will be an open book. Your former employer's reason for discharging you will be given. Your union affiliation will be stated. All the wages you've ever drawn, however small, will be shown. Even your divorce—if you have one—will be included. You are to be registered—catalogued—put on file."

## Landslide victory

The Republicans, employers and Hearst completely misjudged the temper of the times. Roosevelt's landslide victory—523 electoral votes to only 8 for Landon—was an overwhelming vote of confidence for social security. But one major hurdle lay ahead.

In 1936, the Supreme Court had heard oral arguments in two cases challenging social security's unemployment compensation and old-age pension provisions, and its decision was awaited with some uncertainty. During Roosevelt's first term, the court had almost routinely struck down one piece of recovery legislation after another. But on Apr. 12, 1937, by the narrowest of margins, the nation's highest tribunal had upheld the constitutionality of the National Labor Relations Act. Would it do the same with the landmark social security bill?

The answer came on May 24, 1937.

Speaking for the majority, Justice Benjamin Cardozo said, on the unemployment insurance issue:

"During the years 1929 to 1936, when the country was passing through a cyclical depression, the number of the unemployed mounted to unprecedented heights . . . . Disaster to the breadwinner meant disaster to dependents. Accordingly, the roll of the unemployed, itself formidable enough, was only a partial roll of the destitute or needy. The fact developed quickly that the states were unable to give the requisite relief. The problem had become national in area and dimensions. There was need of help from the nation if the people were not to starve. In a crisis so extreme the use of the moneys of the nation to relieve the unemployed and their dependents is a use for...the promotion of the general welfare."

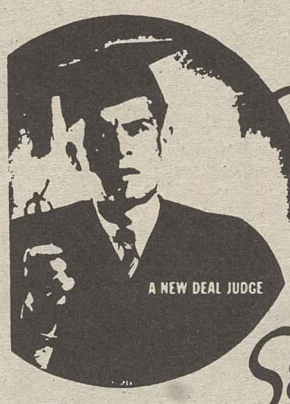
On old-age insurance, again speaking for the majority, Cardozo said:

"The hope behind this statute is to save men and women from the rigors of the poorhouse as well as from the haunting fear that such a lot awaits them when journey's end is near. . . . The number of persons in the United States 65 years of age or over is increasing proportionately as well as absolutely. What is even more important, the number of such persons unable to take care of themselves is growing at a threatening pace. . . . The problem is plainly national in area and dimensions. . . . Only a power that is national can serve the interests of all."

Social security had survived its most critical test; it had become firmly imbedded in the nation's social policy.



Historic picture shows President Roosevelt signing Social Security Act 50 years ago, with Labor Sec. Frances Perkins and key supporters from Congress as witnesses at White House ceremony.




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*ALL OF YOUR WORKING LIFE*

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*ELECTION DAY*

On the day that he signed the bill into law, Roosevelt had called it "the cornerstone in a structure that is...by no means complete," and in most of the years since then, labor and its allies worked to enlarge the scope and effectiveness of the program.

Benefits were added for dependents of retirees and surviving spouses and dependent children of workers who die during their productive years (1939); coverage was extended to farm workers and to most self-employed persons except doctors, lawyers, engineers and other professionals (1950); coverage was extended to farmers and most professionals (1954); disability insurance was added to protect workers and their dependents when the breadwinner is physically unable to continue gainful employment, and women were allowed to retire at age 62 with reduced benefits (1956); early retirement benefits were extended to men (1961); Medicare for the aged and Medicaid for the poor were enacted (1965); Medicare was extended to the disabled and the blind, and a program to supplement the incomes of the needy aged, blind and disabled was enacted (1972).

## Republican target

The past four years, however, have been marked by a concerted assault on social security. President Reagan and Congress have rolled back benefits upon retirement for those at the lowest income level, phased out benefits for college students, eliminated the parent's benefit when the youngest child reaches 16, slashed Medicare and Medicaid outlays, delayed cost-of-living increases, and raised the retirement age to 66 by the year 2020, and to 67 by the year 2027.

These four years of cutbacks, standing as they do in sharp contrast to the four decades of progress which preceded them, pose a continuing concern to the AFL-CIO-backed Save Our Security coalition—composed of more than 200 organizations representing over 40 million senior citizens, the blind and disabled, trade unionists, teachers, veterans, social workers, religious organizations, women's groups, civil rights groups, Black and Hispanic groups.

The SOS agenda calls for reversing the regressive trend of the Reagan years and getting on with the business of making social security work better than it does right now.

High on its list of unfinished business are:

- Comprehensive health insurance to safeguard against the harsh economic burdens people now must bear when they become ill (an issue discussed, but not resolved, a half-century ago).
- Providing equity for women, on whom the burdens of aging fall with particular severity.
- Restoration of benefits to dependent children of deceased, retired or disabled workers, so that social security will regain its proper status as a "family protection plan."

Social security has changed the face of America in the last 50 years. People who would otherwise be among the nation's most economically vulnerable—the retired, aged, widows and orphans, and the totally disabled—have income they can count on month after month as a matter of right. And wage earners are insulated against at least some of the economic adversity which accompanies unemployment.

It has done so because it is founded on traditional values and concepts—self help, mutual aid, insurance, and incentives to work and save.

Its need is no less great today than it was a half-century ago, and it will continue to be a dynamic and influential factor in American economic, social and political life.



## Carrying the message

These Texas members of the Letter Carriers, in Washington for their union's national legislative conference, call on Rep. Martin Frost (D-Tex.) to make a case for preserving retirement benefits from budget cuts. They were among 1,500 NALC delegates who lobbied their home-state congressional delegations during the union's two-day conference to support their position.

# Migrant labor convention votes affiliation with UFW

Toledo, Ohio—The Farm Labor Organizing Committee, which speaks for some 6,000 migrant workers, voted at its convention here to affiliate with the AFL-CIO United Farm Workers.

FLOC President Baldemar Velasquez, who stressed the need for "one unified farm workers movement," said his group sees affiliation with the trade union mainstream as the path to growth.

The union represents migrant workers who come to northwest Ohio and southern Michigan to harvest the tomato and cucumber crops. Many of the growers are suppliers for the Campbell Soup Co., and the union has been sharply at odds with the company over the issue of union representation and collective bargaining.

Several hundred delegates to the FLOC convention, which was held at an Auto Workers hall here, voted unanimously for affiliation with the Farm Workers and applauded enthusiastically the welcome extended by UFW President Cesar Chavez.

Chavez, speaking in Spanish, told the convention that migrant workers must fight for their rights with boycotts, strikes and union contracts. "The farmworkers' struggle is a just struggle," Chavez said, "a necessary struggle, and we will continue to fight for as long as it takes to win our rights."

### May agreement

In the battle over representation rights for the migrant workers, the FLOC and Campbell reached an "understanding" last May providing for an eight-person commission to develop and oversee representational procedures for farmworkers on tomato and cucumber fields in Ohio and Michigan.

Former Labor Sec. John T. Dunlop heads the commission, which includes Msgr. George G. Higgins of Catholic University, former UAW President Douglas Fraser, Purdue University agricultural economist Don Paarlberg and Tom Anderson, an agribusiness leader from Ohio. Four others will be jointly named by the union and the company.

Velasquez stressed at the convention that the union's goal remains a collective bargaining agreement, not just procedural steps. He said the procedure contemplates a bargaining relationship between Campbell and its growers and between the growers and the migrant workers.

# Charles D. Gray named director of Asian institute

Charles D. Gray, deputy executive director of the AFL-CIO's Asian-American Free Labor Institute since 1975, has been named to succeed Morris Paladino as executive director.

Gray, who is 56, was confirmed to the post by a vote of AAFLI's board of trustees. The appointment was announced by Federation President Lane Kirkland, who chairs the AAFLI board.

Gray spent 12 years with the International Federation of Commercial, Clerical & Technical Employees (FIET) in Amsterdam, Holland, and later in Geneva.

He came to AAFLI in 1971, overseeing expansion of the institute's in-country programs in the Middle East, Far East, and South Pacific. He began his trade union career in his native Ohio as a member of the Retail Clerks.

Paladino, 65, retired June 30 after 15 years as head of the institute. He came to AAFLI after serving as assistant general secretary of the International Confederation of Free Trade Unions in Brussels. Earlier, he served as deputy executive secretary of the AFL-CIO's American Institute for Free Labor Development.



Charles D. Gray

# *Unemployment rate stagnating at 7.3 percent*

**Continued from Page 1**

When those two categories of workers are factored in, the Full Employment Action Council estimates, the nation's "real" unemployment rate last month was 13 percent.

The official jobless rate now has remained at 7.3 percent for six months in a row.

At the current rate, it appears that 1985 will mark the ninth post-World War II year in which joblessness was above 7 percent—and five of those years will have been Reagan years.

Employment, "while continuing to increase in the service-producing sector, remains clouded by weakness in manufacturing," BLS Commissioner Janet L. Norwood told a congressional Joint Economic Committee hearing on the July jobs figures.

Factory jobs fell by 7,000 over the month. Since the beginning of the year, manufacturing production jobs are down 200,000.

Even as the government was announcing the latest monthly employment and unemployment statistics, some major companies were unveiling plans for deep layoffs.

Montgomery Ward & Co. said it will close its 113-year-old catalog unit and dismiss some 5,000 workers over the next eight to 14 months.

Meanwhile, National Semiconductor Corp., in Santa Clara, Calif., announced it will furlough at least 8,000 employees for five days in the next seven weeks and Apollo Computer Inc., said it will lay off most of its 3,700 employees for six days.

# Telegraphers end strike on 2-year accord

Some 6,500 members of the Telegraph Workers ended a 10-day strike against Western Union and will vote by mail ballot on ratification of a new two-year contract.

Still unsettled is the parallel strike by 600 members of Communications Workers Local 1177, which represents Western Union employees in New York and New Jersey.

At issue in the dispute was the extent of concessions workers were called on to make in an effort to keep Western Union solvent after a heavy deficit last year.

Members of both unions had agreed to a temporary 10-percent pay cut last December, which has now been restored. The new agreement with UTW provides for a 3-percent additional raise in the second year of the contract. It also gives workers a share of profits if the company returns to profitability during the contract period.

Most of the concessions the UTW agreed to were modifications of Western Union's original demands. Thus present workers will not lose severance pay entitlement they have already earned, but others will be limited to 20 weeks. About 1,000 of the 6,500 workers covered by the UTW contract have been on a 35-hour workweek. Their schedule will be raised to 40 hours in two steps, rather than immediately.

Agreement to a union-proposed plan for cost containment on health care resulted in a smaller charge to workers than Western Union management had sought to impose.

The company backed off on an issue important to the union and agreed to retain the present prohibition on contracting out of work.

UTW President Richard Brockert termed the settlement "a very tough contract for us because we had to make concessions." But the company had serious financial problems, he stressed. "We hope to put them in a better position to market their services," he said, and to "turn things around so there will be more jobs."

## John B. Geagan dies, SEIU organizing chief

Baltimore—John B. Geagan, general organizer for the Service Employees, died Aug. 4 of pneumonia at Johns Hopkins Hospital while under treatment for leukemia. He was 53.

Geagan served as a business representative for SEIU Local 99 in Los Angeles and as research director of the union's Southern California Council before becoming general organizer in 1968.

# *Put ideas to test, labor grads urged*

The nine newest graduates of the George Meany Center for Labor Studies were urged to help bring "a new creativity, a new vision and a new sophistication to the labor movement."

AFL-CIO Vice President John J. Sweeney told the new graduates that "programs such as the one you have completed open the door for us and lets us develop and test our new ideas."

Noting how new ideas sometimes are stiffled, Sweeney said, "I believe in free speech, but I would like to ban from use in the labor movement, the phrase, 'We've always done it that way.'"

Sweeney, who is president of the Service Employees and a trustee of the studies center, challenged the unionists to create different ways to achieve labor's goals and called attention to the AFL-CIO Executive Council report on the Changing Situation of Workers and Their Unions.

The nine received bachelor of arts degrees through the center's external degree program run in cooperation with Antioch College. Unionists can work toward a college degree while continuing their regular union jobs. So far, 80 trade unionists have graduated from the program and all received some college credits for their union work experience.

Like most of the more than 130 unionists now in the program, the new graduates brought with them college credits earned previously. Since enrolling, they have spent one week every six months in residence at the center attending classes where they were introduced to new courses of study that they pursued during the following six months.

Under the labor studies program, they earned credits in such subjects as organizing, collective bargaining, industrial sociology, science and society, economic policy, labor law, labor and government, and labor history.

Issac Hunt, dean of the Antioch School of Law, presented the students with their degrees.

The graduates are: Charles R. Barnes of the Laborers, Atlanta; Norbert W. Benson, Electronics Workers, Rochester, N.Y.; Curtis T. Ezzell, United Transportation Union, Macon, Ga.; Edna J. Miller, Food & Commercial Workers, Alexandria, Va.; John T. Ruel, Iron Workers, Chicago; Roy Silbert, Hotel Employees & Restaurant Employees, Atlantic City, N.J.; Raymond J. Simonetti, Jr., Operating Engineers, Baltimore; Thomas E. Smith, Graphic Communications Union, Richmond, Va., and Frederick W. Stroud, Rubber Workers, Danville, Va.



Federation Vice President Sweeney, left, with labor studies graduates.

# EDITORIALS

## The Penslinger

PRESIDENT REAGAN has served notice that he will have his veto pen poised to pounce on any appropriations bill that carries funds for government programs that the White House wants to end but Congress wants to keep.

And while the President didn't say flat-out that he will veto a relatively mild South African sanctions bill, he strongly suggested that's what he intends.

The Reagan threat is government by veto, in which nothing opposed by the White House can become law without a two-thirds vote to override from both the House and Senate.

That's one way to run the government, but not a very good one. Certainly there are times when a President must exercise his veto authority for the national good. But on a long-term basis, there has to be a certain accommodation between the legislative and the executive branches of government.

Until now, it has been a largely one-sided accommodation. A Republican Senate, anxious not to embarrass a popular Republican president, has sought to avoid sending him legislation he would feel compelled to veto. One byproduct of this reticence was that during the depths of the recession, a number of needed economic recovery measures that passed the House by bipartisan majorities were left to die in the Senate. So we've already had a taste of government by veto threat.

On occasion, to his credit, the President has been persuaded to bend his rigid position to accommodate the congressional will. And perhaps there is a bit of bluff in Reagan's flaunting of his veto pen. Let's hope so, because otherwise the nation and the machinery of government are in trouble.

FORTUNATELY, Congress has thus far denied to the President the power he has sought to veto a section of an appropriations bill while letting other provisions become law.

Legislation is a process of negotiation and the final product is often as carefully crafted as a collective bargaining agreement. More than many people realize, the executive branch of government is frequently a party to the negotiating process. The question is whether it is to become the dominant partner.

As a matter of constitutional principle, there are sound and compelling reasons for Congress to resist the so-called line-item veto as an attempt to stack the deck.

In practice, given the poised pen of President Reagan, adding to his veto power would be a disaster.

## 'Our Source of Strength'

THE LABOR MOVEMENT is facing challenges. Unfair employers who still dream of absolute power over the lives of workers have been asserting their right to redefine wage levels and working conditions as they alone see fit, and they have had a lot of help.

Many of the laws and instruments of government that were created to prevent the worst excesses of unfair employers have been subverted and placed in the hands of people who have no intention of administering or enforcing them.

We have been through difficult periods before. Unions are no strangers to adversity. Our unions were under challenge by powerful employers working hand in glove with hostile courts, hostile legislatures and hostile administrations. Laws were designed to protect and reinforce the power of the employer.

We met and overcame those challenges, and in the process we transformed the society we live in. I am confident that we can overcome all of the challenges we face today.

But to prevail, we are going to have to summon up, from every level of the labor movement, the spirit of solidarity and common purpose that has been, since the beginning, our only source of strength.

We have to carry the trade union message to every man and woman who works for a living, and we have to involve all of our rank-and-file members in the trade union mission.

*—From address by AFL-CIO President Lane Kirkland to Building & Construction Trades Dept. convention.*




### Washington Window

# Selective statistics hide drop in household income

**By Press Associates, Inc.**

The Reagan Administration always has been nimble-fingered in fashioning information and statistics to suit its purposes.

The Administration also has been featuring a magic act in which longstanding government statistical programs disappear like rabbits into a top hat.

But instead of a magic wand, it uses its sleight of hand to materialize its familiar budget ax. At least 50 major federal statistical programs which published important information about the nation's changing economy and workforce have been eliminated or reduced by the Administration.

Now the Administration plans to discontinue an annual Census Bureau report which has been churning out some embarrassing information. Called the after-tax household income report, it is not included in the Commerce Dept.'s budget request for fiscal year 1986. A few thousand dollars would be saved in the Administration's near trillion-dollar budget request to Congress.

On the surface, the report seems to confirm the impression rendered by the White House artists of illusion that the 1981 tax cuts put more spendable income into the hands of most Americans. Statistical reports can mislead if they omit pertinent information. This is a case in point.

### Missing facts

The report showed that average household income—total household income adjusted for taxes and inflation and divided by the number of households—rose by 1.7 percent between 1980 and 1983. So far, so good.

What the report failed to say was that real after-tax income for about two-thirds of all households was lower in 1983 than in 1980.

It also failed to include the more meaningful statistic of the change in "median" household income, which fell by 1.6 percent between 1980 and 1983. The median household is the mid-point, where half the nation's households have more income and the other half have less.

The average income change rendered in the Administration's report is far less meaningful because it was pulled up by the large income shifts to high-income households. After-tax real income rose by 5.4 percent, or an average $1,480, for the highest fifth of the nation's households between 1980 and 1983.

Incomes rose even more for the top 5 percent households whose incomes start at $63,000. Their incomes rose by 7.7 percent, or an average $3,320.

### Middle class pays

On the other hand, upper middle-class households—the second highest fifth of the income range—lost about $250 in spending power during the three year period. As for the broad middle-class population in the middle fifth income range, they lost most of all, $560.

Households in the second lowest fifth lost about $480 in 1983 dollars, and those in the lowest fifth averaged a $190 loss.

All this information is available thanks to a House Budget Committee economist who filled in the blank spots of the Administration's report and compared its data with earlier Census Bureau reports.

The Budget Committee found that nearly $25 billion had been shifted to the upper fifth income group from the four less affluent groups between 1980 and 1983. About half this shift was found to have resulted from the 1981 Reagan "tax cuts." The other half came about because job losses during the 1981-82 recession and social program cuts depressed income in the middle and lower ranges.

If the Administration proceeds with its plan to discontinue the after-tax household income report and Congress goes along, the nation will take a further step into ignorance about facts that are necessary in formulating economic and tax policy.

"Ignorance is bliss," it has been said. But that's only for those who seek to control the flow of information for devious ends, leaving the people uninformed.

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# MEMO FROM COPE

# Party 'Realignment' De-aligned

## GOP Stunned by Dem Texas Election Win

Short of sending in George Bush to sing "Git Along Little Dogie" while chawing on a half-pound plug of tobacco, the Republicans threw everything they had into the recent special House election in Texas' First Congressional District.

They spent $1.5 million. Spelled out, that's one and one-half million dollars—more than has ever been spent by one candidate in all but a few House races.

They ran a one-time football star from Texas A&M, Edd Hargett. They picked a district where President Reagan walloped Walter Mondale last November and is still the most popular person this side of Davey Crockett.

They desperately wanted this win to back up public boasts they've been making since Reagan's re-election victory that "party realignment" without question has occurred.

What a letdown. Their candidate lost to COPE-endorsed Democrat Jim Chapman. It was close, but given the money and the big guns the GOP turned loose on the district, it's a wonder Chapman survived at all let alone got elected. He beat Hargett by 51-49 percent—52,670 to 50,737 (one vote counts!).

Reagan's coat-tails have shrunk since 1984 (they weren't all that long at the time), and this alone must cause great dismay in GOP ranks. If the person more than the party has made them formidable, what happens as his political pulling power wanes?

In the special election, Hargett's campaign saturated the district in the final few days with television and radio ads featuring the President. Reportedly, most voters either were uninfluenced by the President's participation or wondered what he was doing telling people in the district how to vote.

The GOP had been riding high since last year and had begun to look bigger, stronger, smarter and more purposeful than any political party can be. Simultaneously, Democrats were looking dispirited and confused, mostly because they were dispirited and confused. National polls showed the GOP practically neck and neck with them in party allegiance among voters. A special push by the Republicans in four states—still in progress—aims at persuading 100,000 Democrats to switch party registration, and they are confident they'll reach that goal.

So, for Democrats, victory in the First District was a much-needed upper.

It demonstrated that (1) Republicans are mortal, (2) the President's impact on behalf of his party's candidates is ebbing, even if his personal popularity isn't, (3) the GOP has no monopoly on the issues.

Indeed, the election was an issue, as much as a personality and/or party, competition. The district has 9.4 percent unemployment, two points higher than the national figure. Many workers there either have lost—or are threatened with loss of—their job to low-wage imports.

Chapman understood the depth of fear in the district about unfair foreign competition. Hargett—like so many in his party—misread and misunderstood the issue. He said—and Chapman wisely and widely exploited the quote—that he couldn't see "what trade policies have to do with bringing jobs to East Texas."

In addition, Hargett campaign caps distributed to supporters in the district bore the label "Made in Taiwan." This only confirmed the suspicions that he was insensitive to the trade issue.

While the victory has got to satisfy Democrats, they shouldn't misread it, either, as a sharp and clear-cut turn for the better in their own political fortunes. Chapman won in a district whose previous representative—Democrat Sam Hall, who got a judicial appointment from Reagan—triumphed unopposed less than a year ago. Hall was conservative (73 percent "wrong" on the AFL-CIO voting record), and Chapman's not exactly a fire-breathing progressive.

However, on basic jobs and trade issues—and many others critical to working people—he should be a consistent supporter.

And that's a whole lot more than his GOP opponent would have been had "realignment" shipped him to Washington a winner.

## CLASSIFIED ADS

### Lost and Found

**LOST, LOST, LOST**—In First Congressional District of Texas, one "party realignment." Hard to spot because not universally visible. Desperate for information as to whereabouts. Please contact Republican National Committee, Republican Senate Campaign Committee, Republican Congressional Campaign Committee, Ronald Reagan, George Bush, Don Regan—Washington, D.C. Must locate by November 1986.

# Odds 'n Ends

**TWO WHO ANNOUNCE** they are *not* running for office in 1986, thus shutting off speculation that they might, are University of Georgia football coach Vince Dooley, and Edward M. Kennedy, Jr., son of Senator Ted and nephew of the late President JFK. Dooley had been rumored as possible candidate for Democratic Senate nomination in Georgia to run against incumbent Mack Mattingly. Right now, he says, he's too busy getting his "Dawgs" ready to face arch-rival Alabama in the season opener, and to delay entry into the Senate race until post-season would make an effective candidacy remote. Kennedy had been considering seeking the U.S. House seat being vacated by Speaker Tip O'Neill, a seat once held by his Uncle Jack. Instead, he opts to continue working as an advocate for programs for the disabled.

**NOW, IT'S 'NEW COLLAR'** voters candidates and their campaigns have to worry about courting. That, at least, is what Univ. of Mass. political science Prof. Ralph Whitehead says. He says Yuppies are out, in fact never existed as major force on national political scene. Defines "new collar" voters as offspring of blue collar families, claims they could form huge base for whichever party woos them successfully. Whitehead describes "new collars" this way: Middle Americans, under age 45, annual family income $20,000 to $40,000, mostly in service-type employment rather than traditional "blue collar" fields, politically independent. Further, according to Whitehead, "new collars" comprise 15 percent of electorate, lead all other categories in ticket-splitting, went strong for Reagan but strong as well for Democratic candidates for U.S. House and Senate.

**REAGAN 1981 CUTS** in Aid to Families With Dependent Children leave 442,000 families hurting, suffering substantial income loss and, as yet, unable to offset it. Most were families whose head worked full-time at low-pay jobs. General Accounting Office study reveals most lost Medicaid coverage also. Income loss varied geographically but in all cases was severe. GAO says in Boston, average income of family dumped by Reagan from AFDC—including earnings, welfare and food stamps—was $925 a month before the Reagan cuts, $801 after them. In Dallas, income went from $731 to $529; in Memphis from $649 to $479; in Milwaukee from $1,004 to 788; in Syracuse from $871 to $717.

**BETTER LATE THAN NEVER** is support for Fritz Mondale from, of all folks, Howard Baker—former Senator from Tennessee, who declined to run for re-election in 1984 and is going for 1988 presidential nomination. Baker recently proposed new taxes along lines suggested by Mondale in his 1984 campaign which then and since, have been both rejected and ridiculed by President Reagan. Baker says flatly that Reagan's adamant opposition to any tax increases to help reduce deficit is "wrong." He says, "There are some things only a Republican can do and some things only a Democrat can do. It is my hope that for a Republican to propose (a tax hike) will be an exercise in realism."

**BAKER AND OTHERS** seeking GOP 1988 nomination filed financial reports recently with Federal Election Commission. Vice President Bush leads with $816,000 for his PAC. Rep. Jack Kemp has $733,000. Baker reports $507,000 and Senate Majority Leader Bob Dole files $88,000.

**COMPUTERIZED SYSTEMS** for voting are wide open to possible tampering, some experts charge. One claims such systems "centralize the opportunity for fraud." Indeed, one company that provides computer vote-counting systems has already been accused of rigging elections and is subject of court challenges. In 1984, votes of 60 percent of voters were tallied by one or another of the seven computerized systems on the market.

**RETIREMENT FROM HOUSE** for ultra-conservative Marjorie Holt (Md.) now midway through seventh term. This opens possibility of Democratic gain in district thought to be pretty solid for GOP. One contender for Democratic nomination is Tom McMillen, journeyman professional basketball player—like Sen. Bill Bradley (D-N.J.) a one-time college All-American and a Rhodes scholar.

**LITTLE OR NO TAX** paid in 1983 by nearly 30,000 individuals and couples with incomes of $250,000 and up, Treasury report reveals. Figure includes 3,000 who earned more than $1 million. Income was sheltered from taxation primarily by limited partnership arrangements, the "in" tax-dodge of recent years. Paper losses by partnerships saved 300 $1 million-plus earners and $1,900 at $250,000 and over from *any* tax at all.

**UNCHECKED FEDERAL DEFICITS** will send interest rates alone on government debt to at least $234 billion a year by 1990. That's about $640 million *a day* just to service the debt. In 1980, interest on federal deficit cost taxpayers $53 billion. We face almost a five-fold increase.

## An Act That Works

**This week marked the 20th anniversary of the Voting Rights Act, which opened the political process to millions of previously disenfranchised minority Americans and increased black and Hispanic representation in elective office.**

**Twenty years of experience proves it: The act worked. It democratized democracy.**

# Council presses programs to put nation back to work

AFL-CIO news

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AUGUST 17, 1985

## World action demanded on South Africa

Pittsburgh—Intensified international pressure on South Africa is needed to end government-imposed racial discrimination, the AFL-CIO said.

It urged an immediate dialogue between the Botha regime and the democratic and peaceful forces in South Africa to end the "cruel, unjust and violent system of apartheid."

The troubled nation's black trade union movement offers one of the few remaining means through which black and white South Africans can hold rational discussions, the Executive Council said.

"That is all the more reason why this movement should be strengthened at every level," it stressed.

The council called on all the free trade unions of the world to pledge full and continuing support to the black South African workers in their struggle for fundamental human and trade union rights.

A council statement noted that the Administration's policy of quiet diplomacy, or "constructive engagement," with Pretoria has not brought about any visible substantial results.

"No American policy can encourage real changes in South Africa unless it offers hope and material support to the democratic forces that are working for such changes within that unhappy land," the council declared.

### Warnings unheeded

The AFL-CIO, which has been in the forefront of efforts to help South Africa's black workers obtain basic human rights, has repeatedly warned that the refusal of the South African government to dismantle the racist apartheid system can only lead to unrest and bloodshed.

"That warning has, tragically, been borne out over the last 11 months in which violence has claimed some 600 lives, 50 in the last week alone," the council said. "The imposition of a state of emergency indicates how perilously close South Africa is edging toward a breakdown in law and order."

Government action has not quelled the disorder, the council observed. Instead, turmoil has spread in several South African black townships.

**Continued on Page 4**



### In the kitchen

After touring ravaged steel communities along the Monongahela River outside of Pittsburgh, AFL-CIO President Lane Kirkland and Steelworkers President Lynn Williams take a lunch break at the Rainbow Kitchen and chat with its director, Bob Anderson, right. The kitchen provides meals, groceries and other assistance to hundreds of victims of steel mill shutdowns in the Homestead, Pa., area. (Story and more photos, Page 5.)

## Weak federal rules hit on toxic chemical leaks

Pittsburgh—Strong regulations governing hazardous chemicals must be immediately adopted by federal job safety and environmental agencies, the AFL-CIO Executive Council said.

Citing the tragedy in Bhopal, India, last December that killed more than 2,600 people and injured nearly 200,000 others, the council stressed that none of the conditions that led to the Bhopal disaster would have been violations of workplace health and safety standards in the United States.

Nor apparently were the conditions involved in the Aug. 11 release of some 500 gallons of aldicarb oxime from Union Carbide's plant in Institute, W.Va., the council said. In that malfunction, 142 persons, including five Machinists, were overcome by the white toxic cloud that settled over a portion of the town.

Two days later, about 500 gallons of a nontoxic hydraulic fluid leaked from Union Carbide's South Charleston plant, just four miles from the Institute facility.

Initiatives drafted after Bhopal by the Environmental Protection Agency and Occupational Safety & Health Administration to provide voluntary emergency planning and inspections of chemical plants in eight cities have already been proven inadequate by the the accident at the Institute plant, the council said.

An international trade union investigation into the accident in Bhopal showed "unsafe process design, storage of large volumes of toxic chemicals, inadequate maintenance, faulty equipment and lack of disaster planning" contributed to the severity of the incident, the council pointed out.

Machinists Safety Director George Robinson said the lack of federal regulations covering the chemical industry and OSHA's

**Continued on Page 4**

## *Calls imports major factor in job losses*

**By John M. Barry**

Pittsburgh—The AFL-CIO called on the Reagan Administration and Congress to "get to work to put Americans back to work."

The federation's Executive Council, meeting in this city whose workforce has been ravaged by plant shutdowns, warned that the American economy is in "a weak and risky condition" and facing even higher unemployment than the current 7.3 percent official rate.

The council pointed to "a tidal wave of imports" as a major factor in eroding the nation's industrial base and causing a major part of the joblessness. In statements adopted at its summer meeting here, the council said the U.S. trade deficit has reached crisis proportions, and it is up to Congress "to take the right steps to resolve America's massive trade problem." Congress has the responsibility, the council stressed, to protect the national economy and basic industries and to "conserve the jobs of all American workers."

Discussing the statement on the trade crisis at his opening-day news conference, AFL-CIO President Lane Kirkland cited growing alarm among the public and "a widespread and deeply rooted demand" for action to overcome the trade imbalance.

### Close-up view

The day before the council meeting opened, Kirkland along with Sec.-Treas. Thomas R. Donahue and other federation officials accompanied Steelworkers President Lynn Williams on a tour of Pittsburgh's depressed industrial areas, getting a close-up view of the bleak picture facing laid-off Steelworkers.

"The steel industry has been suffering perhaps longer than others," Kirkland told reporters. But the impact of unfair foreign trade practices is spreading, he said, and was the "one constant theme" that pervaded his meetings and discussions with rank-and-file workers in dozens of cities since last spring.

"They're feeling the pain," Kirkland said, in the lumber industry in the Pacific Northwest, the textile and apparel mills of the South, in the Midwest areas heavily dependent on the farm equipment industry, and in areas affected by the widespread shutdown of oil refineries.

"It's happening to a lot of regions, a lot of states, a lot of communities and a lot of people, and I think Congress is going to respond to that," Kirkland declared.

The statements on the national economy and the trade crisis were among a series of policy actions by the council during its three-day meeting here which are detailed elsewhere in this issue.

At its opening session, the council accepted the resignation of Vice President

**Continued on Page 3**

## *Double standard mars tax reform*

Pittsburgh—The AFL-CIO wants Congress to reshape President Reagan's tax reform proposals and end the double standard that favors income from investment over earnings from wages and salaries.

A genuine tax reform, the Executive Council said, would bring in the revenue needed "to run the government, promote economic and social progress, provide for the common defense and reduce the budget deficit."

The council welcomed sections of the Administration tax package that would lessen the burden on low-income households and narrow some corporate tax loopholes. But a double standard on income would remain, the council protested. And other changes sought by the Administration, such as taxation of health benefits, would add new burdens on workers.

If the Reagan tax plan is adopted, the Executive Council protested, "millions of middle-income Americans will pay higher taxes while the vast majority of wealthy Americans will pay less."

### Corporate tax shrinkage

The council statement noted the steady shrinkage of the corporate income tax as a source of revenue, to the point where last year "dozens of giant, profitable corporations paid less income taxes than the lowest-paid employee who punches a time clock."

The statement reiterated the AFL-CIO's firm opposition to taxation of health insurance or other work-related benefits.

It warned of the detrimental effects of limiting the deduction for state and local taxes. And it protested targeting young working families for a higher tax burden by eliminating both the child care tax credit and the second-earner deduction.

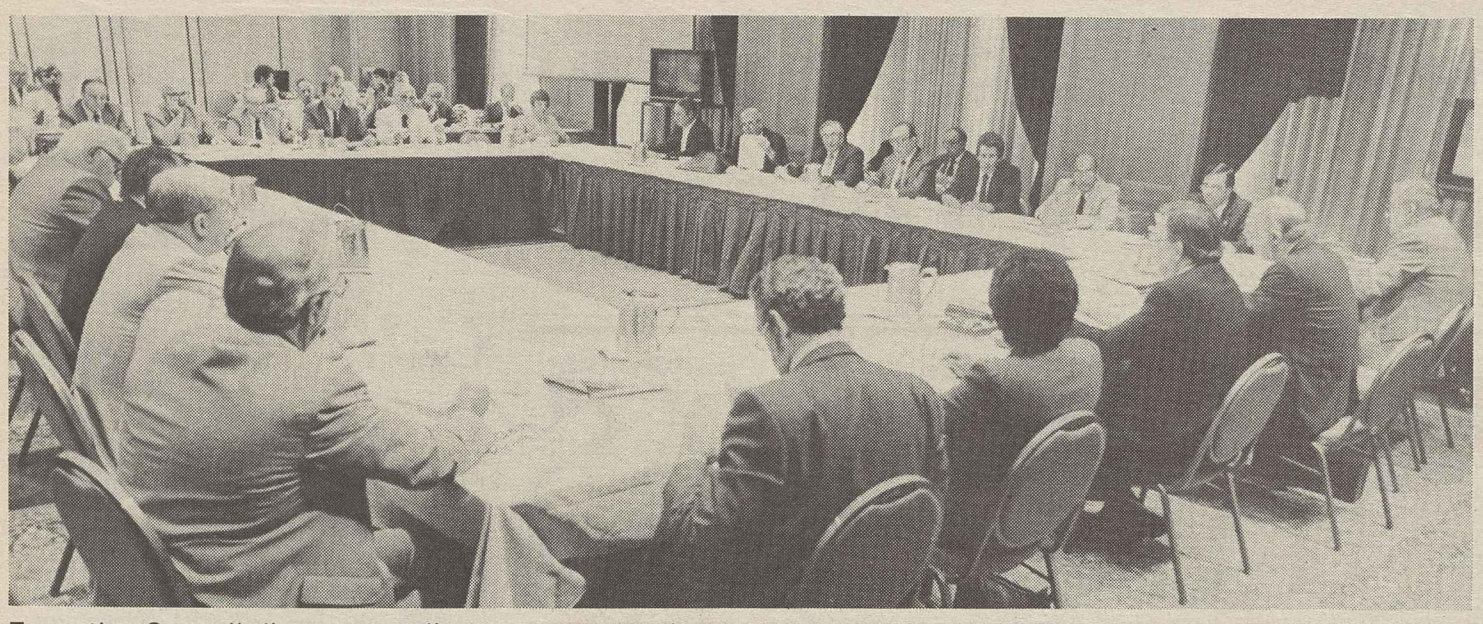
Needed revenues can be raised by strengthening the corporate minimum tax and denying the deep cut in the corporate tax rate proposed by Reagan, the council said.

It urged a scaleback of the sharp tax-rate reduction Reagan has proposed for taxpayers in the highest-income brackets. The

**Continued on Page 4**

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8/17/85



Executive Council discusses policy statements at its three-day meeting in Pittsburgh.

# Rail unions backed in call for public sale of Conrail

Pittsburgh—The AFL-CIO supports rail labor's position favoring a public sale of Conrail and opposing the Administration's plan to sell the government-run freight line to the Norfolk Southern Corp.

In a statement at its summer meeting, the Executive Council said a public sale of the carrier would insure its viability as an efficient railroad system, assure the public of dependable railroad service at reasonable rates, and protect the jobs and livelihoods of thousands of Conrail and other railroad workers.

"The proposal by the Reagan Administration to hand the system over to Norfolk Southern would not produce a fair return to the Treasury because of tax loopholes available to the purchaser," the council said.

"The proposal would create a rail monopoly that would have an adverse effect on the public, shippers, industries, communities, and other railroads.

"It would also mean massive layoffs for Conrail employees and for many employees of other railroads."

The Railway Labor Executives Association, representing 19 unions with members employed by the carrier, announced last month that most of the unions favored selling Conrail to the investment firm Morgan Stanley & Co., which would sell the line's stock to the public.

Conrail was created by Congress from several bankrupt and ailing railroads to maintain vital railroad service to the Northeast, Midwest and Middle Atlantic regions. The government owns 85 percent of its holding, employees the remainder.

The system, which today is in a profit-making position, provides dependable rail shipping to the public and jobs for 35,000.

The federal law that created Conrail stipulated that it should be sold to divest the government of permanent ownership.

# *Funding pressed to aid Endowment for Democracy*

Pittsburgh—The AFL-CIO reiterated its support of the National Endowment for Democracy, and urged Congress to provide the necessary funds for it to carry out its functions.

Noting that NED has encountered strong resistance from both ends of the political spectrum, where isolationism runs strong, the Executive Council said the work of the private organization is vital.

The agency was established in 1983 to assist labor, business, the two main political parties, and other nongovernmental groups to help their counterparts in other countries strengthen democratic institutions, promote human rights, and foster pluralism.

"Our own democratic institutions cannot survive in isolation," the council declared. "Freedom of association cannot be secure here if it is snuffed out in the rest of the world. Nor can peace be assured in a world in which ordinary people lack the means of expression and organization to influence their leaders."

Critics on the right oppose NED on budgetary grounds while some on the left see aiding democratic institutions as a form of interventionism.

"The AFL-CIO rejects both of these views," the council said. "We believe that private-sector efforts on behalf of democratic institution-building abroad are vital to a foreign policy centered on human rights."

# White House rights retreat condemned

Pittsburgh—Affirmative action requirements are an important weapon in the battle against job discrimination and should be continued, the Executive Council said.

The council took note of news reports that the White House staff had drafted for submission to President Reagan a proposal to revoke a 1968 executive order establishing affirmative action requirements for firms doing business with the federal government. Government contractors must now make a good-faith effort to hire a representative number of qualified blacks, Hispanics or other minorities.

That policy, established under President Lyndon B. Johnson, would be replaced by an opposite approach, the news reports indicated. The White House staff proposal would bar the government from using hiring statistics or any form of numerical goal as a test of equal opportunity employment.

"Such a move would represent a giant step backward in the fight against employment discrimination," the Executive Council protested.

The AFL-CIO continues to support "strong affirmative action," the council stressed. It called on the Administration "to cease its constant search for ways to weaken the nation's civil rights laws, and instead to commit itself to enforcing those laws vigorously and effectively."

White House press spokesman Larry Speakes told reporters that the proposal was not official "Administration policy" because it had not yet been presented to President Reagan for final approval. He said the issue is on the agenda of the Domestic Policy Council, made up of eight Cabinet secretaries.

## Memorial tribute cites Lee Minton's service

Pittsburgh—A memorial tribute to former AFL-CIO Vice President Lee Minton was presented in a statement by the federation's Executive Council, on which he had served for two decades.

Before his retirement, Minton was president of the Glass Bottle Blowers and was president emeritus of its successor union, the Glass, Pottery, Plastics & Allied Workers at the time of his death on June 22.

# Unions urged to spurn bids by Soviet-controlled WFTU

Pittsburgh—The Executive Council urged all AFL-CIO affiliates and their members to shun contacts with the communist-run World Federation of Trade Unions, and to join with other free world unions to promote international worker solidarity.

Promoting free trade unionism can best be done through the Brussels-based International Confederation of Free Trade Unions with which the AFL-CIO is affiliated, the council said in a statement at its summer meeting here.

"The ICFTU, representing 145 unions with 82 million members in 99 countries, is the forum in which the free trade unions of the world seek to develop cooperative activities and common strategies to defend the rights and advance the interests of working people," the council observed.

The WFTU, based in Prague and controlled by the Soviet Union, is engaged in a continuous attack on the policies of the ICFTU and its affiliates, the council noted. For example, the communist labor group and its front organizations have launched a propaganda war on the international activities of the AFL-CIO at the same time they are encouraging American trade unionists to take part in meetings and exchanges with WFTU-affiliated unions.

"The WFTU's decision to accept into membership the official government-sponsored 'unions' of Poland, after the government had transferred to them the confiscated funds and property of Solidarnosc, tells us all we need to know about the real character of the WFTU and its commitment to workers' rights," the council said.

"The WFTU's defense of the Soviet invasion of Afghanistan and its relentless attacks on Israel are further evidence of its slavish adherence to the Moscow line."

The council urged all affiliates in their travels or relations with unions abroad, to work with ICFTU affiliates to promote free trade union solidarity.

# Boycott set on Trojan luggage products

Pittsburgh—The AFL-CIO Executive Council condemned the union-busting tactics of Trojan Luggage Co. and called upon all union members not to buy its products.

The council noted that the Memphis, Tenn., company forced members of Furniture Workers Local 282 to go on strike in April after management submitted a "final offer" demanding drastic contract concessions.

Trojan employees average only $4.96 an hour, even though the company enjoys favorable profits. Yet the company is demanding a three-year wage freeze and changes in the health care plan that would force Local 282 members to pay up to $60 a month of the premium. For the past 20 years, the firm paid the full premium.

Five years ago, after the company was acquired by Dunbar & Associates of Prospect, Ky., it employed 700. The new owners began shifting production from Memphis to the low-wage countries of Taiwan and Korea, and laid off all but the current workforce of 64.

The company sells luggage under the brand names of Hampton, Newport, Vagabond, Nassau, Dante, Going to Grandma's, Monterey, Aspen, Magnum, Biscayne, and Executive Briefs.

# *New approaches respond to committee report*

Pittsburgh—An extensive review of progress on key recommendations of the AFL-CIO Committee on the Evolution of Work absorbed the Executive Council for most of the afternoon of the first day of its summer meeting here.

Federation President Lane Kirkland noted that more than 76,000 copies of the committee's report, "The Changing Situation of Workers and Their Unions," have been distributed among AFL-CIO affiliates, local unions, and state and local central bodies since the report was issued last February.

Kirkland also reported that 1,000 discussion guides have been sent out by the Dept. of Education and that the report was a major topic at this year's regional conferences. A special briefing on the report and a discussion of its key points was held at the George Meany Center for leaders of AFL-CIO affiliates not represented on the council.

The council also heard a report from the Committee on State & Local Central Bodies, which discussed ways of strengthening state central bodies, increasing the affiliation of local unions and finding new methods of financing the state bodies. The council voiced support of the objectives outlined by the committee and directed it to continue to explore ways of developing these proposals.

### Additional efforts

Kirkland and Sec.-Treas. Thomas R. Donahue described these additional efforts to implement recommendations set forth by the Committee on the Evolution of Work:

- A task force composed of union education directors has been formed to expand the "Labor in the Schools" program.
- The "One-on-One" program is being put into place on a trial basis in Georgia, Missouri and Idaho. This undertaking, Kirkland said at a news conference between council sessions, "holds great promise in terms of strengthening the labor movement in all of its activities."

It involves the development of a cadre of trade union activists "who will systematically meet with every trade union member, including those who hardly ever show up at conventional union meetings" and who otherwise relate to their union only when they have grievances or when their contract is up for renewal.

"The theory behind this," Kirkland said, "is that we cannot expect to attend or develop the level of awareness and support among rank-and-file members that the movement ought to have—and needs—by simply waiting until they show up at a union meeting and talking only to those who come. There are too many elements competing for every person's time and attention. . . ."

- Training films are being worked up by the Labor Institute of Public Affairs, the federation's television production arm, for use in the One-on-One program, and LIPA also is conducting a series of regional workshops to help unionists develop effective TV communication skills. Efforts to expand the use of the electronic media also will include a satellite feed of special Labor Day programs, making them available to TV stations around the country.
- A new approach to organizing is being taken by five unions in a coordinated campaign directed at a single national target—Blue Cross/Blue Shield. The unions are the Auto Workers, Office & Professional Employees, Service Employees, Communications Workers and Food & Commercial Workers. They will pool staff and other resources in the campaign to sign up an estimated 37,000 organizable workers employed by the Blues across the country. About 9,000 of those workers are already represented by the OPEIU and UAW.
- A survey has been commissioned to determine if a range or package of benefits can be developed that would appeal to workers as a membership benefit exclusive of contract coverage.

# Council presses action to restore jobs

## *Demands new trade policies to halt 'tidal wave of imports'*

**Continued from Page 1**

Glenn E. Watts and elected his successor as president of the Communications Workers, Morton Bahr, to fill the vacancy. It thanked Watts for his long service to the federation and wished him well in retirement. The council also paid a memorial tribute to former Vice President Lee W. Minton, who died recently.

The increasing use of the electronic media by the federation and its affiliates was evident at the council session, with film or video presentations accompanying a half-dozen statements and reports. For example, a television production by the State, County & Municipal Employees on social security was viewed by the council before adopting a statement marking the 50th anniversary of the signing of the Social Security Act. Vice President J. C. Turner presented a film produced by the Operating Engineers for use in the campaign against the practice by some contractors of "double-breasting," that is, setting up parallel, non-union companies to skirt their union contract obligations.

The Labor Institute of Public Affairs, the federation's television production arm, presented a tape prepared for a Labor Video Bulletin on black trade unions in South Africa. LIPA also showed excerpts from a work in progress on health care cost containment, training films for the "One-on-One" program, and "Singing for the Union," a program on labor songs scheduled for showing on public TV stations across the country over the Labor Day weekend.

The keynote of the council meeting was set, however, with the early adoption of the statements on the national economy and the trade crisis, focusing on the high levels of unemployment that beset Pittsburgh and other major industrial centers. The council pointed out that the official national jobless rate has been stuck at or near 7.3 percent for the past year. And the 8.5 million unemployed workers covered by that rate do not include the 1.1 million "discouraged" workers and the 5.5 million part-time workers who want full-time jobs.

The council observed that unemployment has been above 7 percent in only nine years since World War II, but five of those years have been the five years of the Reagan Administration—1981 through 1985. Warning that a new downturn is likely this year or early in 1986, the council said the next recession will push unemployment even higher than the current levels.

Just a few days after the council issued this warning, the Federal Reserve Board reported that production by the nation's factories, mines and utilities went up only a meager two-tenths of 1 percent in July, extending the yearlong industrial stagnation.

### Lacking jobless benefits

Kirkland, responding to reporters' questions, said organized labor is doing its best to arouse concern over the fact that only 26 percent of the workers officially recognized as unemployed are drawing any unemployment insurance benefits at all. What benefits there are, he said, usually terminate after 26 weeks, and "then the family is left to their own devices or to go through the embarrassment and pain of welfare and charity."

He charged that it was "an atrocity" for Congress to yield to the Reagan Administration and its budget authority and let the system of extended unemployment benefits expire.

The United States has the harshest unemployment insurance system among all the industrial democracies of the world, Kirkland observed.

"In Europe, England, Germany, France, there are systems for providing assistance to unemployed workers that virtually never end," he said. "They have a much more generous level of benefits and longer duration of standard benefits. . . . And there is a backup structure that goes on and on. . . . We need to overhaul the unemployment system and make it effective in dealing with human problems."

The council placed most of the blame for the wave of plant closings, the slowdown in economic growth, the persistence of high unemployment and the loss of factory jobs on "the strong, negative impact of the nation's unrealistic trade policies and the overvalued dollar." It reiterated the federation's call for specific emergency action to revitalize the economy and promote full employment. And it renewed labor's demand for a comprehensive program to deal with the trade crisis.

Congress is awakening to the need for new trade legislation, the council noted, and it stressed that this should be a package that deals with the overvalued dollar, deep deficits with particular countries and with the special problems of particular industries.

### Major contributions

In other actions, the council heard a report from Vice President Murray Finley on the activities of the Labor Committee for the Martin Luther King holiday observance and approved a $10,000 contribution to help finance the committee's promotional efforts.

Another $10,000 contribution was voted for the U.S. Holocaust Memorial Museum fund, and Kirkland renewed his appeal for additional contributions from affiliates to help make the campaign a success.

Vice President Joyce Miller reported on a recent visit to four African nations by a team of 11 American women trade unionists to study the situation of African women on the job and in their unions. Vice President Barbara Hutchinson also was a member of the team.

Sec.-Treas. Donahue reported on the state of the federation's finances and on progress toward construction of the George Meany Memorial Archives at the Labor Studies Center campus.

Donahue joined Kirkland in describing steps being taken to implement recommendations of the council's Committee on the Evolution of Work. Other committee reports were given by Kirkland on political works and by Vice Presidents Wayne Glenn on state and local central bodies, John Sweeney on health care and on restrictive legislation, Gerald McEntee on the balanced budget amendment, Al Heaps on community services, Frederick O'Neal on civil rights, and Owen Bieber on South Africa.

Kirkland announced the creation of a new ad hoc committee of the council to deal with labor's role in marking the coming bicentennial of the U.S. Constitution. Its members are Vice Presidents Al Shanker, Patrick Campbell, Frank Drozak, McEntee, O'Neal and Miller.

Contributions were approved by the council to the National Planning Association, the NAACP, League for Industrial Democracy, Jewish Labor Committee, Center for the Study of Social Policy, Citizen/Labor Energy Coalition, United Negro College Fund, Citizens for Tax Justice, and Economic Education for the Clergy.

The next council meeting will be held in Anaheim, Calif., Oct. 26, the Saturday before the AFL-CIO convention opens.



AFL-CIO President Lane Kirkland answers questions during press conference in Pittsburgh. At right is Information Director Murray Seeger.

# Bill endorsed to end deportation of Salvadorans

Pittsburgh—The AFL-CIO declared its support of a bill in Congress to require the Attorney General to suspend the detention and deportation of displaced Salvadorans in the United States pending an investigation by the General Accounting Office.

Some 250,000 Salvadorans have entered the United States since 1980 and another 35,000 have been repatriated through deportation or voluntary departure, the Executive Council observed. Of the thousands who have asked for political asylum, however, only 3.3 percent have been granted it.

Suspension of deportations would begin on the date of enactment of the bill introduced by Sen. Dennis DeConcini (D-N.M.) with bipartisan support, and remain in effect for 270 congressional days following submission of the GAO report to the Speaker of the House.

The GAO study would focus on the conditions of life and security of displaced Salvadorans still in Central America and the circumstances confronting Salvadorans who have been repatriated from the United States. It would also review the procedures governing the treatment of displaced Salvadorans by the United States compared with its treatment of other aliens in similar circumstances.

# Safeguards urged for genetic tests

Pittsburgh—New and sensitive tests for damage to the genetic material in human cells could be helpful in identifying previously unknown hazards in the workplace, the AFL-CIO Executive Council said, but it called for strict safeguards to prevent abuse.

Adopting a substitute for a resolution referred to it by the last federation convention, the council said labor supports genetic monitoring tests as another tool in the fight to detect and eliminate workplace health hazards.

But it stressed that these tests must be made under "strict conditions of confidentiality," with adequate counseling and medical follow-up for the workers and a commitment to correct any hazardous conditions uncovered by the studies.

As for the genetic screening tests that some companies are experimenting with, the council warned that as a mass screening tool they have not proved their value and could do more harm than good.

### Raising concerns

"Widespread genetic screening could lead to a new form of job discrimination based on genetic background by attempting to screen out so-called susceptible workers," the statement observed.

"Genetic screening could divert resources and attention from the effort to correct hazardous conditions. The AFL-CIO remains convinced that the real risk factors in the workplace are unlabeled chemicals, inadequate ventilation systems, badly maintained equipment and unsafe work practices —not the genetic makeup of the workers."

The statement said any efforts to protect high-risk workers through legislation or collective bargaining should guard against the abuse of genetic testing by:

- Setting strict conditions of confidentiality, with adequate counseling, medical follow-up and full earnings protections for injured workers.
- Developing programs that help workers and their families manage lifetime surveillance and treatment.
- Supporting community-based programs to solve special problems of exposed workers and their families.
- Outlawing job discrimination based on genetic differences.
- Allowing no letup in efforts to eliminate unsafe conditions in the workplace.

On another resolution referred by the convention which called for legislation to mandate more liberal vesting of pensions, the council voted non-concurrence. It cited special problems faced by multiemployer pension plans and other types of plans and said achieving the goals of pension portability and earlier vesting "is best left to collective bargaining."

A third referred resolution, dealing with worker protections under airline deregulation, was deemed to be covered by provisions in the convention resolution on transportation.

# *Heavy job losses laid to AT&T breakup*

Pittsburgh—The telecommunications industry is threatening to become a job-loser rather than a job-gainer for the United States, the AFL-CIO Executive Council warned.

Telephone users and workers alike have been hurt by the breakup of AT&T, the council said. It cited deteriorating telephone service and the loss of tens of thousands of jobs.

The job loss has been fed by an increase in import penetration from 2 percent of the telecommunications market in 1982 to 14 percent in 1984, the statement noted. It quoted an estimate by the Communications Workers that some 120,000 jobs have been lost in the unionized sector of the industry over the past three years.

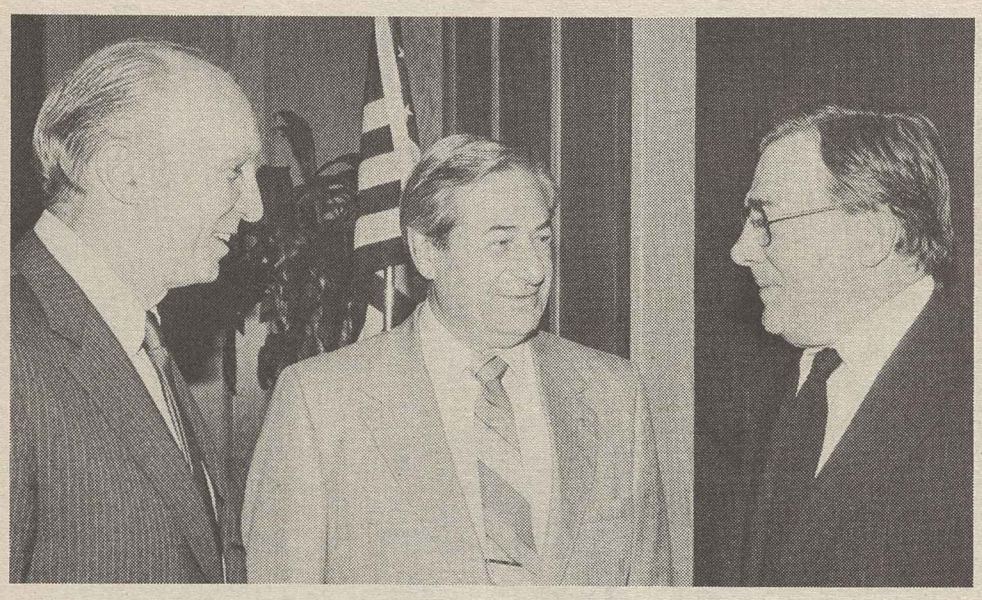
Just recently, the council noted, AT&T announced that it will shift the manufacture of residential telephones from Shreveport, La., to Singapore. The move will wipe out the jobs of 1,000 Shreveport workers represented by the Electrical Workers.

The council pointed to other multinational operations spawned by the AT&T breakup, which indicate a still greater use of products made abroad and a continued loss of better-paid jobs.

A national "Job Savers Day" has been set for Thursday, Aug. 29, as a union day of protest at the threat to U.S. jobs and labor standards in the telecommunications industry.

The council requested all AFL-CIO affiliates "to join with their brothers and sisters in the telecommunications industry in rallies, informational picketing and other activities,"

It urged unions and members to insist on union-supplied telecommunications service and equipment. And it called on Congress to seek remedies to problems created by the breakup of the nation's major telephone system.



CWA President Morton Bahr is welcomed to the Executive Council by President Lane Kirkland and Sec.-Treas. Thomas R. Donahue.

# *Council elects Morton Bahr as Glenn Watts steps down*

Pittsburgh—The AFL-CIO Executive Council elected Communications Workers President Morton Bahr a federation vice president, filling a vacancy on the council left by the retirement of Glenn E. Watts. Bahr succeeded Watts as head of the CWA at the union's recent convention.

The council acted after accepting Watts's resignation and offering its gratitude for his service as a council member since 1974. The statement expressed "respect and admiration" for the contributions Watts made over the past 40 years to his own union and to the labor movement.

Bahr, 59, was elected president of CWA on July 16 after he had emerged as the leading candidate for the post following Watts's announcement that he planned to retire a year before the end of his term. That decision was designed to give the new CWA president adequate time to prepare for next year's negotiations with the telephone industry.

Before moving up to the CWA presidency, Bahr served for 16 years as vice president for District 1, which covers New York, New Jersey and the New England states. A native of Brooklyn, he came to the CWA in 1951 when he joined the union's organizing campaign at Mackay Radio & Telegraph Co. (now ITT World Communications) where he had worked since 1947.

Bahr was instrumental in CWA's organizing victory at the company and was elected president of Local 1172 in 1954. He joined the national CWA staff as an organizer in 1957 and on his first assignment directed the successful drive to sign up some 24,000 employees of the New York Telephone Co. plant department.

AFL-CIO President Lane Kirkland appointed Bahr to serve on the federation's standing committees on community services, public relations, international affairs and the economic policy subcommittee on trade, and on ad hoc committees dealing with Article XX appeals and review, the evolution of work, health care, political works and the United Way.

# Chemical leaks add urgency to call for plant safeguards

**Continued from Page 1**

placement of those manufacturers on a low-priority inspection list must change. The manufacturers and the government "have to plan as if something were going to go wrong, and they haven't been."

The Machinists represent some 1,000 workers at the Institute facility. "We've raised a lot of hell with the company," Robinson said. "It's still being investigated, but there are a lot of areas coming to our attention as needing real action."

Preliminary investigations of the Institute release show that some of the equipment installed after the Bhopal accident failed to operate properly.

A new computerized system used to track chemical vapors had not been programmed to track aldicarb oxime, the company said.

Aldicarb production at Institute began in May as part of the company plan to avoid having to ship methyl isocyanate by truck to its plant in Woodbine, Ga.

Chemical Workers Local 832, which represents the workers at Union Carbide's Woodbine plant, took action to conduct its own safety inspection of the plant.

The local had to filed a complaint with the National Labor Relations Board office in Atlanta to force the company to allow the union access for an inspection which will likely be held in October.

Because of the shutdown of aldicarb production in Institute, Union Carbide said it may lay off 240 workers at Woodbine until operations in West Virginia are resumed.

## Safety Council cited as ally of workers

Pittsburgh—The AFL-CIO expressed its appreciation to the National Safety Council and its labor division for their efforts to promote occupational safety and health.

An Executive Council resolution noted that the safety council, through the initiatives of its labor members, has joined with the AFL-CIO and its affiliates to seek strong workplace regulations on asbestos and other hazards. It has also opposed legislation aimed at weakening the Occupational Safety & Health Administration.

The NSC, in line with its charter mandate, has implemented programs "devoted to the occupational safety and health of American workers," the council said.

The NSC has long maintained a labor division, the council noted, whose members include the AFLCIO and many international and local unions.



## For labor's food bank

AFL-CIO check to help stock a union-operated food bank for families of unemployed workers in the Pittsburgh area is presented by Lane Kirkland to Paul A. Stackhouse, Sr., president of the Allegheny County AFL-CIO. On hand are the chairman of the AFL-CIO Community Services Committee, Vice President Alvin E. Heaps, left, and Community Services Director Frank Emig.

## After 50 years

# Social security found living up to promise

Pittsburgh—The AFL-CIO marked the 50th anniversary of social security with a pledge to protect the program against those who would dismember it and a commitment to completion of the structure envisioned by President Franklin D. Roosevelt.

Social security has been "the nation's most successful anti-poverty program," the Executive Council said, giving the elderly "a measure of economic security and dignity." And for those still in the workforce, it provides family insurance "against the loss of income resulting from a worker's disability or death."

At his news conference, Kirkland assailed Republican proposals to take the cost-of-living adjustment away from social security beneficiaries. They want to use social security taxes "to pay for the Pentagon's $600 toilet seats and $800 wrenches," Kirkland suggested.

Kirkland voiced outrage at attempts to persuade young people that social security is a burden that they would be well rid of. Most young people do "give a damn about their parents and about their grandparents," Kirkland said. And if it were not for social security, many young people would be financially crushed by the burden of old and infirm parents.

The Executive Council statement noted the financial solvency of social security, with its annual surplus projected to reach $13 billion next year. Yet, the council noted, "there are still calls to reduce its benefits, solely to give the overall federal budget the appearance of a smaller deficit."

### Segregate funds

To squelch that type of manipulation, the council proposed that the social security trust funds be separated from the federal budget immediately, rather than in 1992 as scheduled under present law.

At his news conference, Kirkland assailed Republican proposals to take the cost-of-living adjustment away from social security beneficiaries. "They want to use social security taxes to pay for the Pentagon's $600 toilet seats and $800 wrenches," Kirkland suggested.

The Executive Council adopted its statement exactly 50 years to the day after President Roosevelt signed the Social Security Act to provide Americans for the first time with some degree of protection "against the loss of a job and against poverty-ridden old age."

That same law, the council noted, established the unemployment compensation system and set up child protection programs still in effect. And 20 years ago, Congress added Medicare for the elderly and Medicaid for the poor to the social security structure.

The AFL-CIO statement quoted FDR's comment at the signing ceremony that the new social security law was only "a cornerstone in a structure which is being built—but by no means complete."

Millions of Americans have been helped by the programs that are part of the social security system, the council said, but all of them have inadequacies that need to be remedied.

Unemployment compensation varies from state to state, "and in most cases is still woefully inadequate," the council noted.

"Medicare beneficiaries are forced to pay more than half of their own medical expenses," it noted, while Medicaid "has been drastically cut by the Reagan Administration and now covers less than half the poor in nearly all states."

The council viewed the past "five years of cutbacks" as a blot on the "five decades of progress" since enactment of social security. It pledged to defend social security "against all who would undermine it and to complete the structure envisioned by its founders so that the programs will better serve the needs of the American people."

# World pressure asked for change in South Africa

**Continued from Page 1**

"It is rooted in apartheid itself, and cannot be brought to an end by repression," the council said.

Meanwhile, the council said, American labor will stand shoulder to shoulder with the 100,000-member National Union of Mineworkers (NUM) of South Africa if it is forced to strike for better wages and working conditions.

NUM announced recently that it will go on strike Aug. 25 over these issues. The announcement came after NUM's special congress in Welkom.

"The AFL-CIO considers this conflict to be a genuine labor-management dispute, and urges the South African government and the employers to negotiate in good faith with NUM and avoid provoking what could be a calamitous confrontation given the explosive climate in the country," the council said.

President Botha has threatened to expel foreign black workers in retaliation for the United Nations Security Council's vote to impose voluntary sanctions against South Africa. In response, NUM said it would extend the strike to other South African mines if the threat is carried out.

The council also called upon South Africa's Chamber of Mines to set a pattern for future direct negotiations with democratically elected black union leaders instead of resorting to the intervention of police and armed forces, whose past interference in labor-management disputes has been both "provocative and destructive."

"We call upon those white South Africans who have so far remained aloof and uncommitted in the struggle against apartheid and for human and trade union rights, to come forward and join the struggle," it said.

## Reagan tax plan hit for double standard

**Continued from Page 1**

top rate, which was cut from 70 percent to 50 percent in Reagan's first term, would be reduced to 35 percent under the Administration's current proposal.

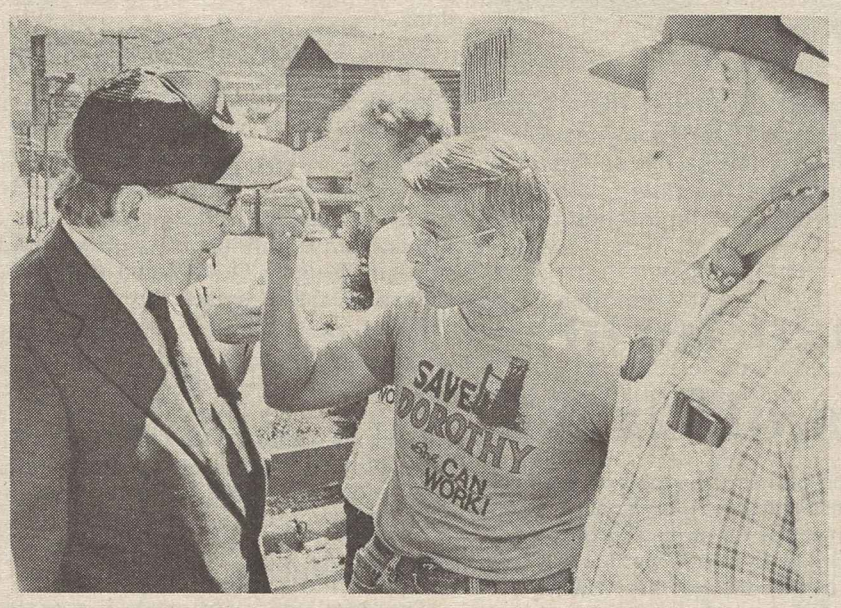
"The Administration's own figures show that the wealthiest one-half of 1 percent of the nation's taxpayers will receive 25 undercent of the total tax reduction, or an average of $10,000 each," the council said.

In calling on Congress to rewrite the Administration plan, the Executive Council protested that tax equity can't be achieved under the conditions set by the White House of "revenue neutrality, drastic cuts in tax rates for the wealthy and a small temporary shift in the share of tax burdens borne by corporations and individuals."

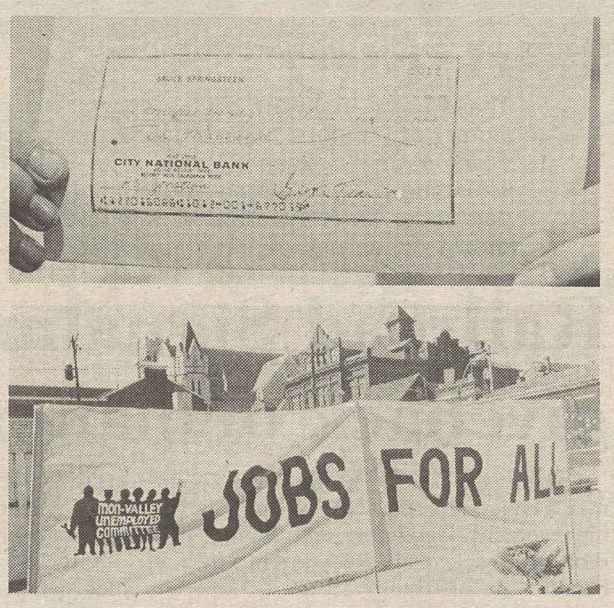




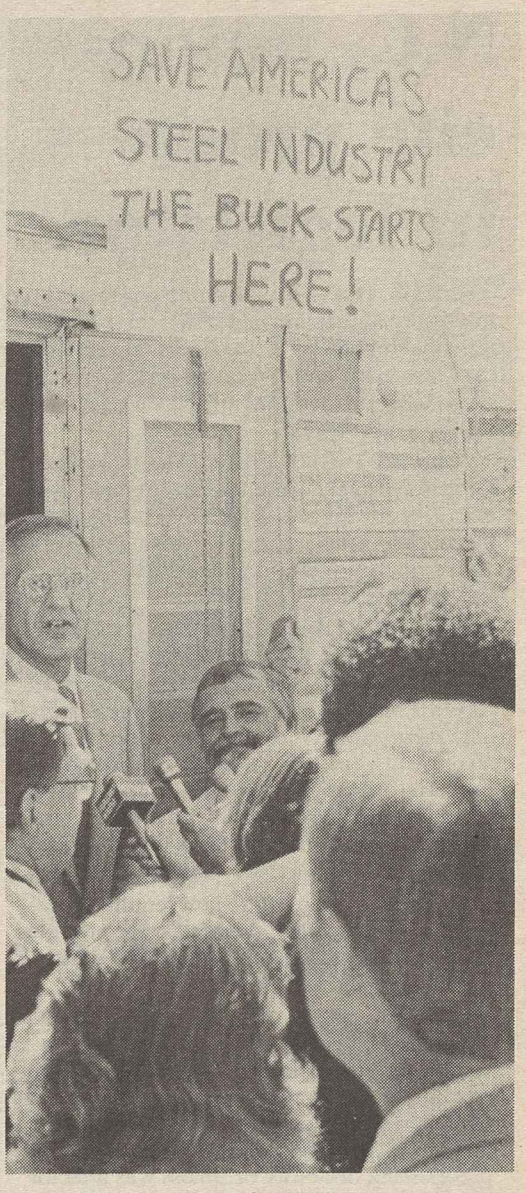

Lunch at the Rainbow Kitchen.




Lane Kirkland joins the Dorothy Six vigil.




A check and a message.




Lynn Williams briefs press.

# *Mon Valley's wasteland an American tragedy*

Pittsburgh—AFL-CIO President Lane Kirkland toured the ravished steel towns along the Monongahela River, stopping at a food kitchen in Homestead and joining the vigil to save the ''Dorothy Six'' blast furnace in nearby Duquesne.

Kirkland was joined by federation Sec.-Treas. Thomas R. Donahue, Steelworkers President Lynn Williams and local union leaders as he passed by vacant mills and boarded-up storefronts. He called the laid-off steelworkers throughout the Mon Valley ''victims of the nation's deindustrialization,'' and warned that ''no nation can survive the disappearance of its basic industries without terrible consequences.''

Meeting with workers outside the closed U.S. Steel plant in Duquesne, Kirkland criticized companies that are shutting down profitable mills in the search for even greater profit. ''These closed plants represent the irresponsibility of the corporate structure of America and the political leadership that allows this to happen. The difference between labor and employers is that industry is mobile. Industry doesn't have a flag or a community. It can go anywhere in search of profits,'' he said.

Kirkland praised the efforts of the Tri-State Conference on Steel, a coalition of local steelworkers, church and community activists working to enable Mon Valley communities to take over the abandoned steel mill. ''We're convinced this mill can be run properly by people who have a proper sense of values and a sense of concern and responsibility,'' he said.

U.S. Steel had announced in May 1984 it was shutting down the giant blast furnace, calling it ''insufficiently profitable.'' But local union leaders and community groups disagreed with the steelmaker's findings and set out to keep Dorothy Six in operation.

### Buyer search

The coalition formed a ''Steel Valley Authority,'' with nine municipality-members including the city of Pittsburgh, to find a new buyer for the Dorothy Six furnace or turn it into a worker-owned operation.

While U.S. Steel agreed to postpone demolition of the Dorothy Six while the coalition reviews financial studies and options for eminent domain, union members are maintaining an around-the-clock vigil to make certain the company does not begin to raze the plant.

In Homestead, Kirkland's tour stopped at the Rainbow Kitchen, a food kitchen and job bank run by laid-off steelworkers and other volunteers. Opened in 1984, the center serves hundreds of families a week through its emergency food pantry and community center. The kitchen had received surplus food and dairy products from the Dept. of Agriculture, but since the government's surplus food programs ended, the Rainbow Kitchen must rely almost completely on private donations, receiving no assistance from the federal government.

One person answering the call for help for the unemployed was rock singer Bruce Springsteen. ''The Boss'' recently appeared in Pittsburgh and asked fans to support the Rainbow Kitchen, pointing out that people in America were hungry, as well as those overseas. Springsteen donated $10,000 to the kitchen and $10,000 to a local USWA food bank.

Kirkland also stopped at the Union Switch & Signal plant where workers learned that the 100-year old plant may close in 1987.

Kirkland called the joblessness and devastation of the Mon Valley a national issue, pointing out that layoffs and plant closing were happening all over the country, ''in the lumber industry in the Pacific Northwest, depressed farm equipment manufacturers in the Midwest and textile makers in the South. It's no longer something that is happening only to somebody else, somewhere else.''

# Wheeling-Pittsburgh battle termed cause for all labor

Pittsburgh—Steelworkers fighting to preserve collective bargaining at the Wheeling-Pittsburgh Steel Corp. deserve the support of the entire labor movement, the AFL-CIO Executive Council said.

Some 8,600 USWA members at Wheeling-Pittsburgh plants in Ohio, Pennsylvania and West Virginia were forced to the picket line July 21 when the company tore up its union contract and unilaterally imposed a new round of pay and benefit cuts. A bankruptcy judge's approval of the contract nullification has been challenged by the union in a case pending in a federal district court.

The Executive Council noted that the Wheeling-Pittsburgh workers had agreed to three contract changes since 1982 to help the company solve its financial difficulties, giving up $141 million in wages and benefits. But over the same period, the council observed, the company's creditors were paid over $200 million in interest and principal payments.

''Now, Wheeling-Pittsburgh is seeking even greater contributions from its employees while its creditors have never agreed to any concessions'' to help the company reorganize. the AFL-CIO statement noted.

The council condemned the company's ''unfair actions'' against its workers and said the bankruptcy judge had misinterpreted the law Congress passed last year ''to prevent employers from using the bankruptcy laws to circumvent their collective bargaining obligations.''

### Rallying support

It called on affiliates to help the USWA members ''win a fair and just agreement'' from Wheeling-Pittsburgh.

All nine plants have been shut down since July 21 by the work stoppage, which the union terms a lockout. The USWA members had offered to continue work under the terms of their agreement while negotiations continued on the company's latest demand for concessions it claimed were needed to stay in business.

The USWA has provided funds from the international union's defense and strike fund for distribution by the locals on the basis of need. It also has provided basic health benefits to replace the coverage that the company discontinued after July 21.

Mediation efforts were continuing but there has been no direct bargaining since the company tore up the contract.

## Guild's first contract ratified in Milwaukee

Milwaukee—Members of Newspaper Guild Local 51 overwhelmingly ratified a first contract with Newspapers, Inc., publisher of the Milwaukee Sentinel and Milwaukee Journal.

The pact, covering some 325 newsroom and library employees of the two newspapers, is the first collective bargaining agreement for newsroom employees in the company's 103-year history. Approved by a 103-14 vote, the agreement was reached 13 months after the Guild won representation rights.

# Police union rallies support for major organizing drive

Takoma, Wash.—In a move to broaden its membership, the Union of Police Associations convention called on AFL-CIO affiliates to help the IUPA organize unaffiliated law enforcement associations.

Al Angele, general manager of the union's California State Council, was elected secretary-treasurer, defeating incumbent Sec.-Treas. David E. Baker. The term of office is for five years. The presidency was not at stake this year. Robert B. Kliesmet's term does not expire until 1988.

Angele, 44, has been a member of the union's board of directors since 1981 representing retiree affiliates, and he held the top posts in IUPA Local 132, the Burbank (Calif.) Police Officers Association. He retired from the Burbank Police Dept. in 1978.

The 65 delegates, stressing the need to organize ''unaffiliated law enforcement officers,'' urged that federation affiliates ''encourage, endorse and assist'' in the organizing effort. A convention resolution pointed out that 90 percent of the nation's police officers belong to unaffiliated organizations.

Delegates voiced opposition to proposals to consolidate police and fire services, and pledged to work closely with the Fire Fighters ''to stop this attempt to undermine the careers of professional civil servants.''

The convention also endorsed a five-part national strategy for the prevention of drug abuse and drug trafficking. Those elements are prevention, enforcement, international cooperation, medical treatment and detoxification, and research. The resolution urged that drug abuse education begin in grade school.

The delegates voted to establish a committee to explore merger possibilities. The committee will report quarterly to the IUPA board on all merger contacts it makes.

The delegates, after hearing Rick Huntley of the Air Line Pilots detail the ALPA strike against Continental Airlines, urged the police association's 13,000 members not to fly on Continental or New York Air until a contract is won by the Pilots.

IUPA President Kliesmet said the convention approved a constitutional amendment to expand its membership for retirees.

# N.C. unions cite progress in legislature

Raleigh, N.C.—Passage of right-to-know job safety legislation and defeat of weakening amendments to the workers' compensation law were cited by the North Carolina AFL-CIO as highlights of the state legislature's 1985 session.

State AFL-CIO President Christopher Scott termed the outcome a "modest success" from labor's viewpoint, especially since the 1984 elections brought in a Republican governor and a more conservative legislature.

Standards promulgated by the North Carolina Dept. of Labor give workers a basic right-to-know about the chemical hazards they encounter in the workplace. The new state law establishes in addition a strong citizens' right to be informed of potential chemcial hazards. The North Carolina AFL-CIO sees this as an additional means for workers and their unions to get information about toxic hazards.

Another section of the law requires companies using toxic chemicals to provide detailed information to local fire departments and permit inspections.

### Labor victory

On workers' compensation, the legislature rejected a labor-opposed amendment that would have limited the amount of benefits that could be received by a worker whose pre-existing disability or illness was a factor in a job-related disease or accident.

The legislature also improved the law by adopting a labor-endorsed amendment strengthening safeguards against retaliatory discharges of workers who file complaints for benefits.

Some provisions of the unemployment insurance law were improved in legislative changes shaped in negotiations between the State AFL-CIO and North Carolina's Employment Security Commission. And a standby minimum wage bill was enacted, providing for a rise in the state $3.35-an-hour minimum to match any increase in the federal minimum wage that Congress might adopt, up to $3.60 an hour.

While not as strong as labor would have liked, the right-to-know law is considered one of the best in the country.



**Sweet victory**

These union stalwarts have a special reason for celebrating the election victory of District 1199-E of the Hospital & Health Care Employees at the Towson Convalescent Center, near Baltimore. They had been fired for attending a union organizing committee but were reinstated with back pay under an NLRB order. Their efforts led to union representation for the 24-worker unit earlier this month.

# Railroad Signalmen term giveback demands off track

Las Vegas, Nev.—The Railroad Signalmen's convention flashed a warning light to management negotiators that demands for more givebacks and takeaways in wages in benefits are off track.

Voicing strong opposition to management attempts in current bargaining to slash hard-won gains, the 300 delegates stressed the need to preserve economic standards, and outlined contract goals for improvements in health and welfare benefits, vacations and sick leave.

The convention also returned President Robert Bates and Sec.-Treas. Willis D. Best to office for new three-year terms.

Bates outlined the union's intention to "fight for and preserve the benefits we have struggled many years to obtain. I don't agree that the standard of living for the working people of this country must be reduced. I believe we should expect that our standard of living will improve each and every year," he said.

The delegates heard from Sen. Paul Simon (D-Ill.) who promised to continue his fight to save the Railroad Retirement System. Simon also called for stronger safety rules in the railroad industry, particularly the legislation that would shift responsibility for railroad safety from the Federal Railroad Administration to the Labor Dept. He criticized the FRA for inactivity on important safety issues.

Richard I. Kilroy, president of the Railway & Airline Clerks and secretary-treasurer of the Railway Labor Executives' Association, spoke of the changing situation in the railroad industry, particularly, the decreasing number of carriers and drop in employment. Despite the changes, he said, railroad workers remain among the most well-paid workers in America.

Ole M. Berge, chairman of the RLEA and president of the Maintenance of Way Employees, called on the rail unions to continue to work together in solidarity to protect existing benefits and win future gains for their members.

Former Signalmen President Charles Chamberlain, a member of the Railroad Retirement Board, warned delegates that "there are still forces, as in the past, trying to dismantle the retirement system. You must be continually vigilant and alert to preserve our system and the only way to do that is to have a strong legislative team in Washington." Chamberlain praised the legislative efforts of the rail unions as "the best legislative team on Capitol Hill."

Other convention speakers included James Kennedy, assistant to the AFL-CIO secretary-treasurer; James Snyder, chairman of the RLEA legislative committee and national legislative director of the United Transportation Union; Federal Railroad Administrator John Riley; William Greer, mayor of Las Vegas, and William Johnstone, vice president of the Association of American Railroads.

## UAW sets industry parity goal at Chrysler

Highland Park, Mich.—After helping Chrysler Corp. out of its financial hole through wage and benefit concessions, the Auto Workers want parity with other major auto makers.

Contract talks involving 69,000 Chrysler workers in the United States opened here Aug. 12. Separate negotiations affecting some 10,000 UAW members employed by Chrysler in Canada opened the next day in Toronto.

Chrysler workers' earnings fell behind those of General Motors and Ford workers beginning in 1979 when they accepted cuts to help the shaky No. 3 auto maker survive. The typical Chrysler worker now earns $12.79 an hour, compared to $13.18 for workers at GM and Ford, the nation's number one and two automakers.

Chrysler has since made a comeback, and last year chalked up its most profitable year in history, earning $2.4 billion. Earnings for the first six months of this year were $1.58 billion before taxes.

Besides wage parity, UAW negotiators are seeking the same job security package negotiated at GM and Ford in their current contracts. The package provides job guarantees for workers displaced by new technology or work transfer and an "income stream" for senior workers of half pay until retirement if laid off.

The current agreements in both the United States and Canada expire Oct. 15.

# There he goes again

**While Congress is on its summer break, President Reagan jumped on the opportunity to make more recess appointments to avoid Senate review. This time, he named Robert E. Rader, Jr., and John R. Wall to the Occupational Safety & Health Review Commission.**

**Last year, Reagan's recess appointments included Rosemary Collyer as general counsel of the National Labor Relations Board and Robert A. Rowland to head the Occupational Safety & Health Administration.**

**Labor protested both appointments. Rowland resigned last July 1 under a cloud of controversy concerning possible conflicts of interest.**

**Rader's appointment is "one of the grossest examples of the fox guarding the henhouse," AFL-CIO Job Safety Director Margaret Seminario charged.**

**The commission reviews appeals of OSHA actions. Rader is "one of the leaders in the crusade to stop OSHA," Seminario said.**

**Rader was at the center of a court controversy involving former OSHA Administrator Thorne B. Auchter and the B.B. Andersen Companies, Inc., of Topeka, Kan.**

**Acting on Andersen's behalf, Rader got Auchter to apologize for an inspection at an Andersen construction site and to drop a dozen citations and $12,600 in penalties. Auchter later became president of the Andersen group.**

**Rader said Andersen's case presented a "rare opportunity . . . that will significantly restrict OSHA in the future."**

**Wall, who retired from Republic Steel as its vice president of personnel in 1982, has no background in health and safety issues, Seminario pointed out. Wall is a former member of the U.S. Chamber of Commerce's board of directors.**

# Mine safety spurred by court ruling

The Oil, Chemical & Atomic Workers are celebrating a court victory that forced the Mine Safety & Health Administration to set a timetable for developing a revised standard to better protect hard-rock miners from cancer-causing radon daughters.

Dan Edwards, OCAW's director of safety and health, said that "if MSHA moves and stays on its timetable, we can live with that. That's a lot better than the five and a half years where it sat by and didn't do a damn thing."

Radon daughters are minute radioactive particles produced during the decay of radium, a radioactive element found in uranium ore.

In January 1985, following five years of inaction and in the midst of the court suit, MSHA initiated rulemaking and at the same time denied a petition for an emergency standard filed by OCAW and the Public Citizen Health Research Group in April 1980.

The U.S. Court of Appeals for the District of Columbia ruled that MSHA now appears to be "proceeding toward completion of its rulemaking within a reasonable time." The timetable that the agency advanced to the court calls for completion of a standard by June 1987.

### 'With diligence'

The three-judge panel made it clear that if MSHA should fail to adhere to its timetable "with appropriate diligence," OCAW and PHRG can renew their request for the court to direct the agency to complete the rulemaking process.

The possibility exists that the agency could find at the end of its rulemaking agenda that the current standard provides sufficient protection.

The court ruling, written by Circuit Judge Ruth Bader Ginsburg, said that in 1980 then MSHA Administrator Robert B. Lagather had written PHRG that the issue deserved a "thorough evaluation" on an "expedited basis."

Judge Ginsburg noted that MSHA initiated its rulemaking "after years in which the matter lingered on the agency's agenda." She pointed out that "human life and health are at stake" and MSHA's current activities do not show that expediting the rulemaking "is likely to crowd out agency action on items of higher priority."

# Film crafts gain in new contract covering 30,000

Los Angeles—A new three-year contract negotiated by the Stage Employees and a bargaining alliance of craft unions will mean pay and pension improvements for 30,000 film and television workers.

Work rule changes agreed to by the unions in the contract with the Alliance of Motion Picture & Television Producers are intended to help keep film production in southern California, union negotiators said.

The new agreement provides $3-an-hour pay increases over the contract term through annual raises of 90 cents, $1 and $1.10. Pension benefits will rise 25 percent for future retirees and 10 percent for those already retired.

Helping to fund the pension improvements is an improved formula for employer payments of a share of revenues from the sale of videocassettes into pensions and the health and welfare fund.

The producers also agreed to pay $3.5 million to the health and welfare plan in settlement of union claims of past underpayments.

The mail ratification process is expected to be complete by the end of the month. Some 24,000 of the workers affected are members of 24 IATSE locals in the film industry.

Other crafts covered by the agreement are in locals of the Electrical Workers, Laborers, Plasterers, Plumbers & Pipe Fitters, Hotel Employees & Restaurant Employees, and the unaffiliated Teamsters.

# EDITORIALS

## America's Trade Crisis

AT LONG LAST, more and more Americans have begun to recognize what workers have known for a long time—that the nation's trade crisis is inflicting massive suffering on American workers and their communities. For too long, the concerns of the labor movement were written off as narrow "protectionism."

The AFL-CIO does not seek an end to trade or a wall around the United States. That is neither wise nor practical. We seek a government policy that acts to halt America's decline, promotes economic and social growth in America and recognizes that there are costs as well as benefits to trade.

The trade deficit, having reached record proportions last year, continues to worsen. Imports rose by 8 percent in the first half of 1985 and exports by only 2 percent. Based on the amount of the deficit in the first six months of 1985, the U.S. deficit will exceed $140 billion at the end of the year.

The consequences of America's precipitous decline in international trade are being felt in all sectors of the economy. Millions of workers, thousands of farmers and hundreds of communities are suffering from plant closings, foreclosures and high unemployment.

IN A WORLD where most international trade is managed by by governments seeking maximum national advantage, Americans are paying the price of the Reagan Administration's policy of callous indifference to the costs of trade.

Since 1979, an estimated 3-4 million jobs have been lost or not created because of the trade imbalance, mostly in manufacturing.

The overvalued dollar, increasing the price of U.S. exports and reducing the cost of imported products, has appreciated more than 70 percent against the currencies of other industrial countries since 1980. While declining somewhat in value in recent months, in June it remained more than 15 percent higher than a year ago.

The principal approach to trade problems taken by the Reagan Administration—requesting other countries to stop what are considered to be objectionable practices—has failed. The failure of this approach is typified by the $37 billion trade deficit with Japan in 1984—and this deficit existed before the end of the voluntary auto quotas. The general deficit with Japan is worsening.

While negotiations take place endlessly, as in the steel industry, injury to the American economy continues. The problem is not with other countries pursuing policies in their national interest; the problem is in America failing to adopt policies in its national interest.

THE TRADE CRISIS will not go away by itself. It requires effective legislation that mandates Administration action, not mere cosmetic treatment nor more talk of negotiations or of American competitiveness, or buck-passing between Congress and the Administration.

Specifically, the AFL-CIO calls upon Congress to deal with the overvalued dollar, deep deficits with particular countries and with the special problems of particular industries. Clearly, any trade bill should be a package that contains:

- The tightening of U.S. laws designed to relieve industries and workers injured by imports and to deal with unfair trade practices.
- Imposition of tariff surcharges or quotas on countries that maintain an excessive trade surplus with the United States.
- A directive to the President to begin international negotiations both to lower the dollar's exchange value and to bring greater stability to the exchange rate system—an action leveraged by a temporary surcharge on all imports.
- The enactment of industry-specific measures to counteract the difficulties encountered by individual industries, such as the Textile & Apparel Trade Enforcement Act and telecommunications legislation.
- Reauthorization and improvement of the Trade Adjustment Assistance program to provide substantial help to those workers displaced by imports.

*—From a statement adopted by the AFL-CIO Executive Council, Aug. 13, 1985.*




**Washington Window**

# Growing illiteracy festers as a national disgrace

**By Press Associates, Inc.**

Illiteracy is a problem often associated with the developing Third World nations.

However, a report released at a recent congressional hearing revealed some startling and disturbing findings about illiteracy here in the United States.

As many as 60 million adult Americans—nearly a third of the adult population—cannot read the front page of a newspaper, according to the report by the Northeast-Midwest Institute, a non-profit research and education group.

The report, titled Literacy at Work: Developing Adult Basic Skills for Employment, cited adult performance level studies which showed that about 20 percent of U.S. adults are functionally illiterate. They are unable to read, write or compute with the proficiency needed to function successfully in society.

The National Assessment of Educational Progress found that 13 percent of high school graduates fail to reach reading and writing competence beyond the sixth grade level.

The problem is growing, according to the Dept. of Education, which estimated that 2.3 million people are added each year to the ranks of the functionally illiterate: 1 million teenagers who leave school without basic skills and 1.3 million non-English-speaking arrivals.

### Higher skill needs

This "literacy gap," as the report called it, exists at a time when changes in the job market require an increasing level of skill in the three R's. Proficiency in the basics is necessary for successful training and performance in jobs of growing complexity.

Literacy standards are higher than they were ten years ago, according to the Business Council for Effective Literacy. In the face of these changing standards, the council found that 11 percent of today's professional and managerial employees are functionally illiterate, as are 30 percent of semi-skilled and unskilled workers.

While necessary reading levels for specific occupations vary, several studies have concluded that a 12th grade level generally defines essential literacy for today's marketplace, the report said. It said studies have found that workers who perform better on reading tests are rated higher in both job proficiency and productivity.

Illiteracy thus is seen by the report as a problem of national as well as individual competitiveness. Jonathan Kozol wrote in his recent book, Illiterate America, that "The dollar cost to our society for our neglect of this injustice is intolerably high —$20 billion yearly to support unemployables, imprisoned or disheartened people, and in losses caused by workplace accidents and damage to military equipment, and billions more in lowered GNP."

### Low federal priority

The federal government, said Kozol, budgets only $1.65 a year to reach each illiterate adult in our society.

The problem of dislocated manufacturing workers, the report said, illustrates the link between literacy and jobs. These workers, often with long experience, have difficulty finding good jobs because their reading, writing and computation skills are too limited for today's job market.

One of the bright spots mentioned in the report is an Auto Workers-sponsored literacy program for dislocated workers. The program, in cooperation with Ford and General Motors, has served as a model for other programs, the report noted. Before a Ford plant closing in San Jose, Calif., the UAW contracted with the local adult education office to provide courses at the plant, including remedial math and reading.

The report recommends a broad range of initiatives by business, state and local governments, colleges, and the federal government to address what it calls the "literacy crisis."

Public discussion and national leadership is needed now. As Rep. Patrick Williams (D-Mont.) said at the hearing, "Illiteracy is creating two Americas—to America's shame and national tragedy. It is a drag on the economy, a danger to our defense, and a blot on our democracy."

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# Double-breasting issue tops legislative agenda of construction trades

Chicago—Building trades unions have made passage of a bill to curb "double-breasted" operations by contractors seeking to evade union commitments a top legislative goal and are pressing for House passage early this fall.

Labor's campaign for its enactment was high on the agenda of the AFL-CIO Building & Construction Trades Dept. convention.

The bill, introduced by Rep. William L. Clay (D-Mo.) and numerous co-sponsors, would clarify the Taft-Hartley Act's provision allowing a prehire union agreement in the construction industry because of the temporary and often short-term pattern of employment. It would make such a union agreement binding on all of an employer's operations unless workers vote to decertify the union as bargaining agent.

It is aimed at contractors who sign standard pre-hire union agreements but then set up non-union subsidiaries that pay lower wages, provide inferior benefits, and disregard labor standards.

An all-out drive to end double-breasting was urged by J.C. Turner, president-emeritus of the Operating Engineers, during discussion of the resolution. The 200 delegates from 15 affiliated unions saw a film dealing with the issue that was produced by the Operating Engineers and a video presentation developed by the department.

On other legislative issues, the convention:

- Strongly opposed taxation of employee benefits.
- Urged enactment of a long-range program to rebuild the nation's infrastructure of roads, water works, sewer systems and other capital development needed to support an industrial economy.
- Asked inclusion in new Superfund legislation of a requirement for safety and health training of workers employed in hazardous waste disposal.
- Pressed the need for jobsite picketing legislation long sought by building trades unions.
- Asked immigration reforms that would effectively ban the hiring of illegal aliens and limit employer use of temporary foreign workers brought into this country.
- Urged legislation to assure fair tax treatment of job-required travel expenses of construction workers.
- Opposed attempts to weaken the Davis-Bacon Act which requires payment of prevailing wages on federal construction.

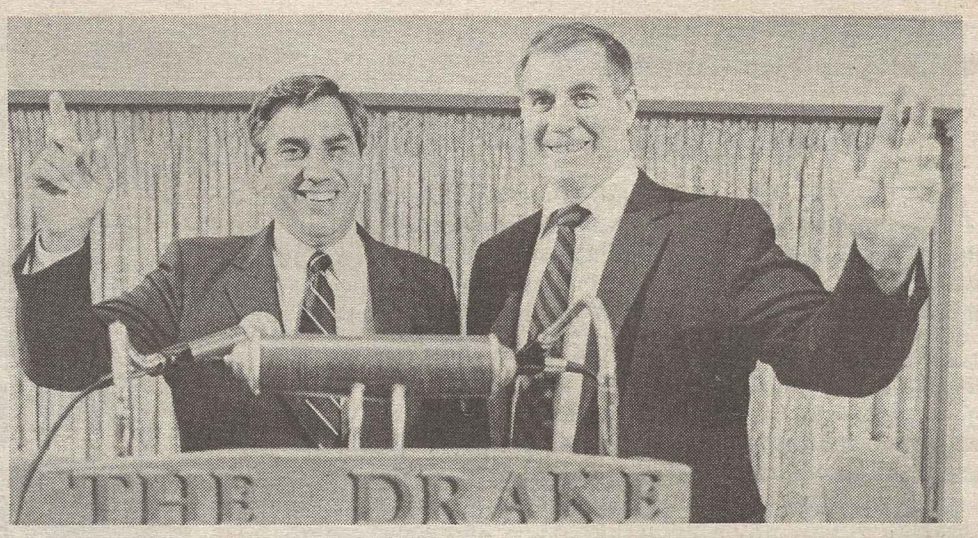
### Five-year schedule

Delegates approved a switch to an every-five-years cycle of conventions, instead of every two years. The department's next convention, its 64th, will be held in 1990. BCTD President Robert A. Georgine and Sec.-Treas. Joseph F. Maloney were re-elected to five-year rather than four-year terms to correspond with the convention change.

The convention adopted a two-step rise in the per capita tax, from the present 23 to 28 cents, and to 30 cents in 1988. The department's governing board of general presidents was given authority to impose a further rise if necessary.

The delegates also endorsed the concept of Apprenticeship Scholarship Loan Agreements, which require workers who went through a union apprenticeship to repay the Joint Apprenticeship Committee for the cost of their training if they leave their union and work at their craft non-union. The Sheet Metal Workers reported that its 8,000 apprentices are all under such an agreement.

Other resolutions supported a campaign to raise funds for diabetes research, asked support for the Phelps Dodge copper strikers and called for resistance to all forms of union-busting.




Re-elected top officers of Building & Construction Trades Dept.—President Robert A. Georgine and Sec.-Treas. Joseph F. Maloney.

# IBM memo cited as evidence of hostility to labor

The Communications Workers, their sights set on organizing conglomerated International Business Machines, revealed a confidential company memorandum outlining methods to stifle unionizing efforts.

CWA President Morton Bahr charged that the IBM memo he made public at a news briefing belies the company's assertions that it is not opposed to unions.

"This is one of the most anti-union companies in the world," Bahr declared.

The memo, marked "confidential" and circulated to IBM managers, called on management officials to report any incidents or even rumors of organized labor activity at any IBM location.

"All incidents, not simply those deemed important by local management, must be reported," the memo said. "A single incident may appear unimportant when viewed alone, but may be quite significant when connected with other information."

### Running scared

Bahr, who announced plans for a worldwide coordinated organizing campaign against IBM shortly after his election as president a month ago, charged that IBM "appears to be running scared that its workers want to join a union."

CWA also plans to unionize employees of MCI, 30 percent of which IBM intends to acquire.

Bahr said he will seek support for the union's worldwide organizing drive at next month's 24th world congress of the Postal, Telegraph & Telephone International in Interlaken, Switzerland.

Since CWA's announcement of its organizing plans, two other international trade secretariats—the International Metal Workers' Federation and the International Federation of Clerical, Commercial & Technical Workers—have added their support to the drive.

IMF Gen. Sec. Herman Rebhan, who distributed the IBM memorandum to all IMF affiliates, said that the company in effect was ordering its managers to spy on workers who discuss pay increases.

"It denotes to IBM workers an attitude that conforms to classic anti-union paranoia," Rebhan declared.

# Aluminum union convention elects LaBaff as president

Toronto—Delegates to the second biennial convention of the Aluminum, Brick & Glass Workers elected Ernie LaBaff president to succeed Lawrence A. Holley, who is retiring.

LaBaff, 52, a vice president since 1965 who comes from Local 450 in Messina, N.Y., will take office Oct. 1 for a four-year term. Holley, who is 60, has held the union's top office since 1977.

Sec.-Treas. H. Max Webster does not come up for re-election until 1987.

In other action during the five-day convention here, delegates focused on the impact of new technology on workers and their jobs in the glass, brick and aluminum industries.

The convention adopted a resolution establishing committees in each bargaining unit to monitor management's introduction of new technology.

The measure also urged each unit to seek prior notification from employers when they plan to introduce new methods and technological changes in the workplace "for the purpose of meaningful discussion." It also calls on locals to negotiate provisions for training workers in the new technology.

Computerization in the aluminum industry has been going on for some time as in the nation's large aluminum rolling mills. New processes of making bricks and glassware also use high technology.

The 500 delegates adopted additional resolutions on tax reform, safety and health and other subjects.

In an address to delegates, AFL-CIO Sec.-Treas. Thomas R. Donahue spoke of the trend toward union mergers already evident in the glass, aluminum and brick industries. The ABGW came about with the 1981 merger of the Aluminum Workers and the Brick & Clay Workers and the 1982 merger with the Glass & Ceramic Workers.

"Today you have a more diversified union, a bigger union, a better union, and one which is by definition better prepared to meet the needs of your members," he observed.

### New computers

In a report to the convention, Sec.-Treas. Webster said the union is in strong financial health. He also noted that computerization of ABGW's headquarters in Bridgeton, Mo., is nearly complete and moving along with fewer problems than expected.

The convention voted increases in the salaries of the president and secretary-treasurer in line with recent increases granted staff personnel.

President Lynn Williams of the Steelworkers pledged close cooperation with ABGW when negotiations with the aluminum industry open next spring. Both unions represent workers in the industry.

Also addressing the convention were President Dennis McDermott of the Canadian Labor Congress, President Frank Drozak of the AFL-CIO Maritime Trades Dept., and Sec.-Treas. John E. Mara of the Union Label & Service Trades Dept.

# *Boy Scouts learn from union skills*

Fort A.P. Hill, Va.—In huge open-air and canvas classrooms, AFL-CIO and union representatives shared organized labor's story with 60,000 Boy Scouts at the BSA's 75th anniversary National Jamboree here.

Members of participating unions helped acquaint scouts with their specialties at a Merit Badge Midway where career and hobby displays were located. Included were demonstrations, exhibits and career information on surveying, railroading and printing merit badges.

Retired AFL-CIO Community Service Rep. Norm Osborne of Saginaw, Mich.; Ted Reed, research director of the Operating Engineers, and J. Robert Miller, the federation's Community Services liaison officer to the BSA, were on hand throughout the week-long jamboree to answer questions on labor's wide-ranging activities and to help with union-related badge requirements.

Osborne, who comes out of the Auto Workers, has logged 57 years of service as a scouting volunteer.

Gene Machado and Joseph Sanders of IUOE Local 3 in San Francisco tutored scouts on a revised version of the surveying merit badge program that was updated to include new techniques and equipment.

Robert N. Hightower of BRAC, who works for the Union Pacific Railroad in Palestine, Tex., coordinated volunteers at a display of the railroading merit badge. Model trains as well as full-size safety equipment were featured.

### Printing demonstrations

Intaglio printing was demonstrated on hand presses by members of Washington Plate Printers Union Local 2. Dan Bradley and Mike Bean of Silver Spring, Md., explained printing procedures by this process as well as letterpress, silk-screen and offset methods.

IUOE's Ted Reed noted that enthusiasm generated by labor's participation in the jamboree should encourage other AFL-CIO building trades, service and industrial unions to use the merit badge program and exhibit their skills in local councils and future jamborees.

Hightower said the BRAC leadership is on record urging all local unions, their officers, and members to get involved in the scouting program.

"The scout merit badge program and specialty explorer posts, are excellent pre-apprenticeship opportunities," he said.

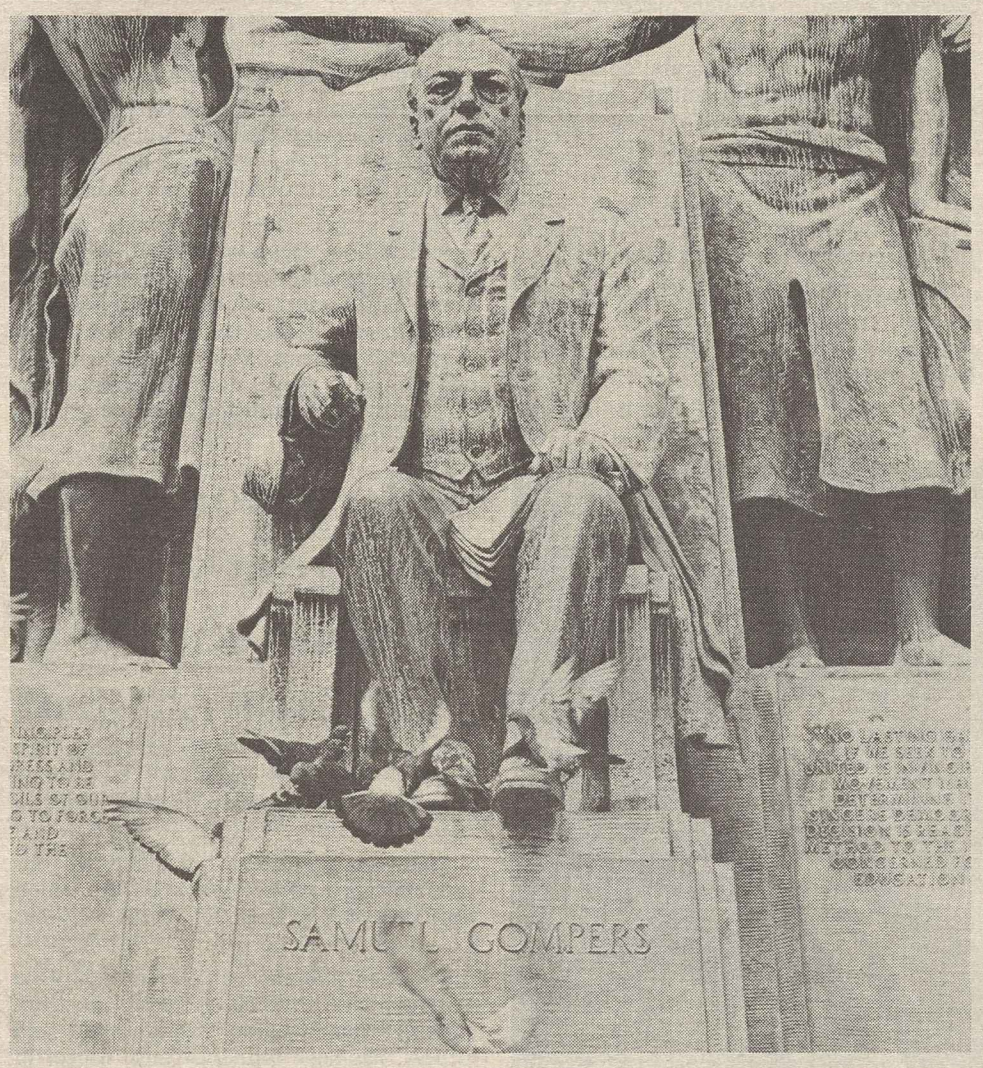


Joseph Sanders of IUOE Local 3, left, teaches surveying to Boy Scouts with the help of IUOE Research Director Ted Reed, BSA labor liaison officer J. Robert Miller and retired Community Services Rep. Norm Osborne.

AFL-CIO news

VOL. 30, NO. 34
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AUGUST 24, 1985

MEMO FROM COPE
PAGE 8




## Not forgotten

Samuel Gompers monument in the nation's capital awaits some badly needed repairs as the Metropolitan Washinton AFL-CIO steps up its fund-raising drive to finance the $55,000 project. The central body is also raising funds for a memorial to A. Philip Randolph. (Story and more photos, Page 4.)

# Economic growth remains sluggish as demand slows

**By James M. Shevis**

The government revised its estimate of economic growth in the second quarter from a 1.7-percent annual rate of increase to 2 percent, but the revision still pointed to a sluggish economy.

The puny increase in real gross national product—the value of the nation's total goods and services—remained far below the Reagan Administration's original forecast of a 4-percent growth rate for the year.

The 2-percent real GNP rise also was below the Commerce Dept.'s "flash," or preliminary estimate in June.

AFL-CIO Research Director Rudy Oswald pointed out that the April-June performance combined with the first quarter's negligible rise of three-tenths of 1 percent meant that the annual rate of growth for the first half of 1985 was just 1.1 percent.

Even to achieve the Administration's downwardly revised 1985 forecast of 3 percent, he observed, economic growth would have to accelerate sharply at a 4.9-percent rate in the second half of the year.

### Weak rebound

Oswald and other private economists do not see that sharp of a rebound happening. Government reports on July activity indicate a much weaker bounceback of about 2.5 percent is more likely.

Consumer spending has contributed to whatever growth there has been so far this year but demand lately appears to have softened, Oswald noted.

Retail sales in July were up only four-tenths of 1 percent, and weakness in domestic automobile sales, which dropped to a 7-million annual rate in July, has caused producers to provide concessionary financing to buyers.

"However, even this new incentive may not be enough to offset the new flood of auto imports since the end of Japan's voluntary restraint of auto exports in April," he said.

A rash of other government reports, which taken together, "indicate that the economy is in a very unstable condition," he warned.

"Workers and farmers are suffering from the effects of serious trade deficit, reflected in bankruptcies and unemployment."

Imported goods of all kinds are behind the sharp slowdown in economic activity. The nation's trade deficit is forecast to swell to a record $150 billion, depressing sales of U.S. manufacturers and forcing them to cut back production.

U.S. industry has lost 220,000 manufacturing jobs since last January.

Meanwhile, the Commerce Dept. reported a sharp 2.4 percent decline in housing starts in July and a 1 percent drop in building permits, which are considered an indicator of future construction activity.

Separately, the Federal Reserve Board reported the operating rate at the nation's factories, mines and utilities remained unchanged at 80.8 percent last month.

The Fed also said that industrial output in July edged up a mere two-tenths of 1 percent. The slight gain left industrial production just 1.4 percent higher a year ago.

The government also reported that Americans took on $6.8 billion more in installment debt than they paid off in June, the smallest monthly gain this year. That could indicate that consumers are cutting back on big-item purchases because of the burden of debt they are carrying.

The Commerce Dept. reported that personal income rose only four-tenths of 1 percent in July even with an unusually large jump in social security benefit payments. Without the higher social security payments, the rise would have been almost negligible.

## Tune in

**AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue will make several media appearances over the Labor Day weekend.**

**A message from Kirkland will be heard on the CBS and Mutual Radio networks while Donahue will be on NBC radio outlets. In addition, Kirkland will be interviewed for a program over the CBS radio network and for another program to be broadcast overseas by the Voice of America.**

**National television appearances for both officers are under negotiations.**

**Official AFL-CIO Labor Day statements by Kirkland and Donahue will be distributed to national television and radio for possible use by local radio and television stations.**

**Beginning Friday, Aug. 30, their statements will be available for international and media distribution over the AFL-CIO toll-free telephone service: 800/368-5744.**

# Administration rebuked on disability challenges

New York—A federal judge slapped the Reagan Administration for continuing to flout court precedents in determining eligibility for social security disability benefits and issued a temporary injunction to force a change in policy.

While the court order is binding only in New York state, where a class action suit was filed, the AFL-CIO said the Social Security Administration should apply its principles nationwide.

The temporary injunction granted by Judge Leonard B. Sand was accompanied by a stern rebuke to the Dept. of Health & Human Services, which oversees the social security system.

Applicants who are eligible for social security benefits on the basis of court precedents in similar cases are still being rejected, Judge Sand found. Only in the higher stages of an appeal, before an administrative law judge, are court guidelines followed in determining eligibility, Sand pointed out.

AFL-CIO Associate Social Security Director Larry Smedley welcomed the court ruling. But it wouldn't have been necessary, he stressed, if the Administration hadn't flouted the intent of Congress and the directives of federal courts on eligibility standards for disability benefits.

Early in President Reagan's first term, the Social Security Administration launched a brutal purge of disability rolls in response to a congressional directive to save money by eliminating abuses.

The purge was especially devastating to persons with mental disabilities whose payments were ended after they failed to return forms mailed to them requesting information on their current medical conditions. Some 200,000 persons cut off from benefits had to win court suits to gain reinstatement.

**Continued on Page 6**

# *'Import shock' laid to Reaganomics*

America's economy is suffering from a severe "industrial import shock" brought on by the Reagan Administration's economic policies, a congressional study concluded.

It linked the decline in U.S. industrial competitiveness to the continuing high budget deficits, high real interest rates and a still overvalued dollar.

The impact of Administration economic policy decisions has been "devastating" to both the agriculture and manufacturing sectors, the staff report found.

The report was released by Rep. John D. Dingell (D-Mich.), chairman of the House Energy & Commerce Committee and its Subcommittee on Oversight. Dr. Milton Lower, a staff economist, directed the study.

Dingell said the import devastation documented by the report raises "grave concern" for the future well-being of the economy.

### Double blow

"Between this Administration's misguided fiscal policies and its benign neglect of unfair foreign trade practices, American goods-producing industries in the 1980s have suffered cumulative damage without historical parallel," Dingell said in releasing the study.

He called for a reversal of the Reagan Administration course through "realistic policies to insure the productive health and long-term competitiveness of U.S. industries."

These are some of the findings of the report:

- Industrial import shock was brought on mainly by the overvalued dollar, which distorts the prices of U.S. goods and imports. Changes in the value of the dollar since 1980 have effectively raised U.S. export prices 70 percent and lowered import prices 40 percent.
- The dollar's distortion stems from high interest rates caused in large part by the soaring budget deficit. The effect has been to price industrial producers out of their own home markets.
- Industrial import shock worsened the U.S. merchandise balance of trade substan-

**Continued on Page 5**

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# *Pay equity dispute moving to bargaining table*

Olympia, Wash.—The Washington state pay equity dispute is moving from the courtroom to the bargaining table in an effort to negotiate an end to a double-standard that has undervalued jobs traditionally performed by women.

Negotiating teams from the State, County & Municipal Employees and the Washington state government will meet here Sept. 9. Their goal will be an out-of-court agreement on restructuring pay classifications to eliminate sex bias and compensating workers for past discrimination.

The legislature earlier this year authorized $41.6 million to settle the pay discrimination case the union brought in 1982.

AFSCME acted after the state government refused to remedy sex-based disparities in job classifications. The union won a landmark victory in federal district court, and the case is now awaiting a decision by the U.S. 9th Circuit Court of Appeals.

About 15,500 workers, including some men, are in state jobs that the union has long contended have been undervalued in relation to job classifications requiring comparable skills held predominantly by men.

Back in 1973, at AFSCME's urging, then-Gov. Daniel J. Evans ordered a pay equity study that found sex-based disparities in a cross-section of state jobs. But with a change of administration, the legislature did nothing to rectify it.

## Government inaction

In Washington state, wages are outside of the bargaining scope. When the state failed to remedy the inequities, AFSCME filed a sex discrimination complaint with the federal Equal Employment Opportunity Commission.

When EEOC failed to act, the union brought and won its case in federal district court. Judge Jack E. Tanner in 1983 ordered the state to achieve pay equity within two years and appointed a special master to conduct further pay studies to determine the extent of the inequities.

The state contested the decision, and a three-judge appeals court panel heard arguments last April but has not yet rendered its decision. Attorney Winn Newman, who represented AFSCME before the appeals court, argued that a former state policy of sex-segregated classified ads and job specifications had helped create a segregated workforce and a resultant pattern of pay discrimination.

Meanwhile, the legislature opened the door to negotiations by authorizing $41.6 million that could be spent to correct pay inequities, but specified that the money will revert to the state general fund if a tentative agreement is not reached by Jan. 1, 1986. The legislature also appropriated funds to hire a negotiating team to represent the state.

Any agreement has to be tentative since it will require final approval by the legislature, but neither side expects that to be an obstacle.

The union negotiators will be George Masten, executive director of the AFSCME-affiliated Washington Federation of State Employees; Diana Rock, national director of AFSCME's Women's Rights Dept., and two Washington state attorneys who have been involved in the union's case, Edward Younglove and Larry Goodman.

Seattle attorney Susan Agid will head the state's negotiating team.

## Other actions

In other pay equity developments:

- In Hawaii, a federal judge refused to dismiss a pay equity lawsuit brought against the state by the Hawaii Government Employees Association, an AFSCME affiliate.
- The U.S. Dept. of Justice, reflecting the Reagan Administration's strong opposition to pay equity or comparability claims, filed a brief with the U.S. 7th Circuit Court of Appeals backing the State of Illinois's opposition to a wage discrimination claim brought by the unaffiliated American Nurses Association.

# Nevada state fed set to challenge picketing curbs

Stateline, Nev.—Delegates to the Nevada AFL-CIO convention here authorized a court challenge to the constitutionality of a new state law severely restricting picketing.

It was one of the few anti-labor laws that got through a "long and difficult" session of the legislature, the state federation officers reported. Otherwise, they said, labor was "fairly successful" in turning back anti-worker legislation.

President Mark Tully Massagli, who has served in the post since 1978, did not stand for re-election and Jeff McColl was elected to a three-year term as president. Massagli is a national vice president of the Musicians. The new president is an officer of Culinary Workers Local 226 in Las Vegas, an affiliate of the Hotel Employees & Restaurant Employees.

Four incumbent vice presidents were re-elected. The terms of Executive Sec.-Treas. Claude Evans and six vice presidents were not up at this convention.

Delegates called for strict state regulation of asbestos use and removal "in the interest of public health and safety" and voted to establish a statewide Community Services Committee to work with the state federation and local central bodies.

The convention referred to the executive board a decision on labor's position on an anticipated attempt to petition to the ballot a proposal to raise the state tax on gambling. Evans said the State AFL-CIO will make its own assessment of the claim by casino operators that higher taxes would force some establishments into bankruptcy.

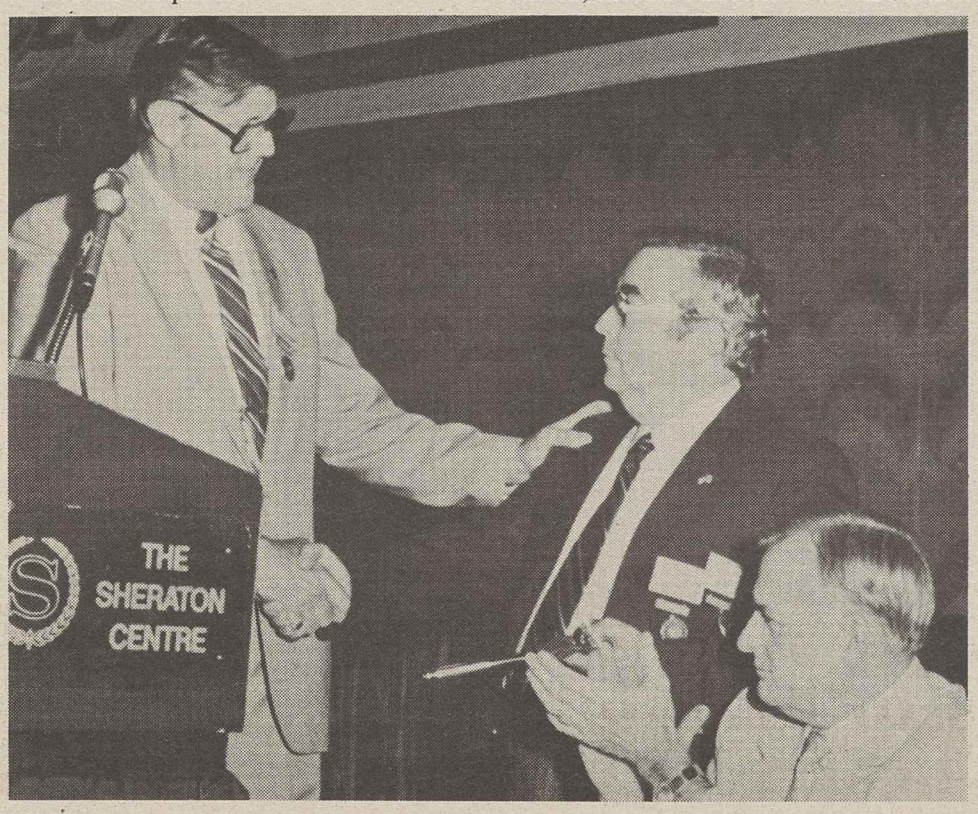
## Mislaid blame

Seafarers President Frank Drozak told the delegates that the maritime and agriculture sectors of the economy are being wrongly blamed for each other's problems. The fact is, he said, that neither industry has recovered from the recession and both are in "worse shape than any time since the Great Depression."

"Farmers are losing their farms. The maritime industry is losing its ships, which means we are both losing our jobs," Drozak said.

Repeal of the cargo preference law would "destroy our merchant marine" without helping farmers, he asserted.

Nevada Gov. Richard Bryan was among the speakers at the two-day convention.




**Change of command**

Retiring Aluminum, Brick & Glass Workers President Lawrence A. Holley passes gavel to successor Ernie LaBaff, center, who was elected to a four-year term at ABGW's convention in Toronto. Seated is Sec.-Treas. H. Max Webster. LaBaff, 52 has been a vice president since 1965.

# Wage-chiseling contractors target of California coalition

Sacramento, Calif.—A cooperative venture between a building trades union and group of fair employers is making northern California unfriendly territory for contractors who chisel on wage and benefit standards or otherwise exploit non-union workers.

The union is Local 3 of the Operating Engineers. Its business manager, Tom Stapleton, is co-director of the four-month-old Foundation for Fair Contracting (FFC).

The employer co-director is Curtis Thornton, president of the W.M. Lyles Corp.

The small staff, operating out of a headquarters in nearby Rancho Murieta, is headed by Chuck Center.

Since operations got under way last May, FFC has filed or assisted in the filing of complaints that have resulted in assessments of some $800,000 in back pay on non-union contractors who failed to comply with state or federal prevailing wage laws.

It has conducted 247 investigations of non-union contractor operations and is monitoring 15 major open-shop construction projects. Employees on these projects are told what their correct wages should be and can use the FCC to recover any underpayments.

Stapleton, in a recent interview with the Operating Engineers magazine, said the combination of the Reagan Administration's moves to weaken Davis-Bacon Act enforcement and the reluctance of California Gov. George Deukmejian to enforce state labor standards "has created an open-season for non-union contractors."

"These are the contractors we find are most often guilty of breaking the law on job-safety standards and in the payment of prevailing wages. If the state and federal agencies won't go after them, then we will," Stapleton declared.

His union was involved, starting before the establishment of the labor-management group, in collecting evidence that helped bring about criminal indictments against two non-union firms on charges that include payroll kickbacks that workers were forced to make.

Center, the administrator of the program, said many of the non-union firms violate state apprenticeship standards and fail to make required contributions to apprentice training funds.

Other building trades unions have also been monitoring non-union public works projects, and many of the workers involved have been discovering first hand the advantages of working union.

# BRAC gains accord at Northwest Airlines

Minneapolis—The Railway & Airline Clerks reached tentative agreement with Northwest Orient Airlines on a 42-month contract providing wage and benefit improvements for some 4,300 clerical, ticketing and reservation employees.

The union will complete a ratification vote on the contract Aug. 29.

BRAC's Northwest General Chairman Arlo Bertsch said that while details of the contract have not been released it does provide for an extended longevity scale in lieu of a two-tier wage scale under which new workers would have received a lower wage.

The adjusted longevity scale will require new employees to wait longer to reach the top of the scale, but they will receive the same starting wage as under the current contract, Bertsch said.

Current starting pay for ticket agents is $1,574 a month, with the top wage set at $2,501. The base wage for reservation clerks is $1,539 per month, rising to $2,431 after seven years.

The settlement also will increase pension benefits 9.4 percent over the life of the contract, improve sick leave provisions, and increase the number of part-time agents the airline may hire.

# Auto union seeks emergency rule on toxic chemical

The Auto Workers petitioned the Occupational Safety & Health Administration for an emergency standard to sharply reduce the worker exposure limit to methylene chloride, a suspected cancer-causing chemical.

Methylene chloride is one of the two toxic chemicals that were released from Union Carbide's plant in Institute, W.Va., on Aug. 11, injuring 132 persons.

The chemical, now being reviewed by the Environmental Protection Agency, the Consumer Product Safety Commission and OSHA, has been found to cause cancer in laboratory animals.

## High risk

A CPSC staff report said the risks from using methylene chloride "are among the highest ever calculated for chemicals from consumer products."

Methylene chloride is used in paints, paint-strippers, degreasers, wood stains, hair sprays and other consumer products.

Workers are exposed to it in certain solvents, foam plastic manufacturing, adhesives and paints and paint-strippers.

The UAW wants OSHA to lower its worker exposure limit from 500 parts methylene chloride per million parts air to 75 ppm, a level the National Institute for Occupational Safety & Health has been recommending for years.

The emergency standard should include requirements that employers measure workers' exposures and inform them of the results, improve ventilation, provide protective equipment and eliminate spray applications, the UAW said. Further, OSHA should immediately begin working on a permanent standard, the union added.

# Coors canned

**Santa Cruz, Calif.—Coors beer and city functions don't mix, the City Council decreed.**

**A resolution adopted at the urging of the Santa Cruz County AFL-CIO cited the company's anti-union activities and noted "a long and clear public record" of discriminatory employment policies.**

**The resolution set a policy of "prohibiting official city participation in any event involving the Coors Brewing Co. or its subsidiaries, or involving the promotion of Coors beer or other Coors products, so long as the national organized labor boycott endorsed by the AFL-CIO shall continue."**

**It went on to direct city government staff to "avoid even informal involvement during the performance of their city duties in any future event involving the promotion of Coors beer."**

**Central Labor Council President Jerry Zellhoefer said Coors lobbied unsuccessfully in an effort to block passage of the resolution.**

## 24,000 eliminated

# CWA voices outrage at massive jobs slash

The Communications Workers charged AT&T with undermining union-management relations and demanded immediate negotiations over massive job layoffs announced by the company and related issues.

CWA President Morton Bahr said he was ''bitterly disappointed'' by AT&T's failure to consult with the union before deciding on the layoffs.

The union has been trying to build cooperative labor-management relations as a prelude to national bargaining next year, Bahr said. But he warned that AT&T's management ''is creating an almost insurmountable obstacle to successful negotiations.''

AT&T said it will eliminate some 24,000 jobs in its information systems group, the company's computer and business equipment arm, including 7,000 management posts.

Bahr was sharply critical of the company's withholding of information about the impending layoffs from the union. Newspaper stories about AT&T's intentions appeared the week before the official company announcement, he noted.

### Management benefits

The CWA was also angered by AT&T's announcement of an 8.5 percent rise in management pensions, double the amount that non-management employees will receive this fall.

The timing, at a time of impending layoffs, shows ''incredible insensitivity,'' Bahr said.

It is comparable, he suggested, to the action of auto companies that announced generous bonuses for executives ''after squeezing wage concessions'' from workers.

Bahr charged that ''there has been nothing approaching equality of sacrifice'' in AT&T's cost-cutting operations.

In a letter to AT&T Chairman Charles Brown on behalf of the CWA executive board, Bahr called for negotiations over transferring the ''surplussed'' workers to other AT&T jobs.

### Contract goals

He said the union also wants the same early retirement incentives AT&T gave to management extended to bargaining-unit workers, an overall improvement in pension benefits, and the strengthening of existing job security provisions of the collective bargaining agreements.

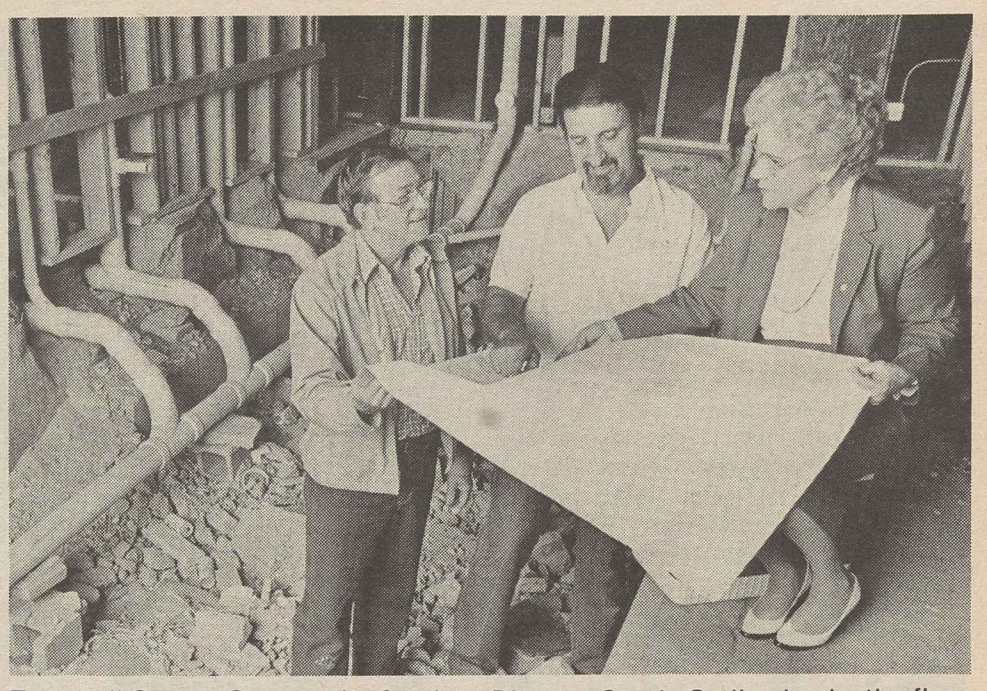
The management announcement said most of the job cutbacks will take place before the end of the year and warned that further reductions might become necessary.

The company said its sales are up, but it needs to improve ''profitability.''

An AT&T official said the company would try to find other jobs for some of the workers affected but he was ''not optimistic'' about the prospects for achieving that goal.

The CWA said the AT&T layoffs, as well as a growing trend toward contracting out of union jobs and the foreign production of telecommunications products, will be a focus of a nationwide day of protest on Aug. 29.

The protest, endorsed by the AFL-CIO Executive Council at its recent meeting, will mobilize union members to press Congress for an investigation of the impact of telephone industry divestiture on workers and consumers.



Trumbull County Community Services Director Carole Catlin checks the floor plan of new food bank warehouse being renovated by union volunteers.

# *Ohio crafts donate skills to food center for jobless*

Warren, Ohio—Building trades volunteers are converting a run-down building into a food warehouse that will serve thousands of unemployed and needy families in the Trumbull County area.

The renovated warehouse will be used by the Warren-Trumbull Food Coalition, a food bank which has aided more than 100,000 persons since it opened in November 1982.

The project began with a $10,000 grant from the Trumbull County commissioners and an additional $20,000 from the Warren City Council to purchase materials to remodel the unused city-owned property.

Carole Catlin, AFL-CIO Community Services executive director for Trumbull County, coordinated the renovation project. She praised the union volunteers, stressing that the hundreds of hours of manpower needed to complete the job are ''no measly donation.''

Catlin said she received ''a positive response from every trades group that we talked with to get the job done.''

The volunteering union crafts include Bricklayers Local 43, Carpenters Local 1438, Electrical Workers Local 573 and Plumbers & Pipefitters Local 225.

Electricians have rewired light and heating outlets and installed an electrical hookup for a walk-in cooler that coalition members hope will be donated.

Plumbers are installing bathrooms and connecting the warehouse to the city's sewer lines, while carpenters build new walls and add a drop ceiling and bricklayers work on a new loading dock.

The warehouse was to be completed in early August, but a fierce summer storm caused a roof cave-in, and set back the work schedule. Catlin hopes the facility will be finished by mid-September, when ''truck loads of food will be arriving.

Catlin said more than 100 building trades workers and other union volunteers have joined in the warehouse project, many working evenings, weekends and holidays.

The building will be leased from the city for $1 a year and the coalition hopes to cover its utilities and maintenance costs through outside donations and government grants.

### Five-fold increase

The remodeling work will expand the food bank's storage space to 2,500 square feet, more than five times the size of the center's former space. The coalition now plans to buy food and supplies in larger quantities to take advantage of volume discounts. Since 1982, the coalition has used more than $500,000 in federal grants and local dollars to buy food for needy families. The new warehouse will serve as a central storage point for food distribution centers.

Catlin said that increasing numbers of families in the area are using the food service, demonstrating the continuing need for emergency food assistance. She noted that the AFL-CIO Community Services office served 680 families in 1984 but already in the first six months of 1985, 609 families have needed assistance.

# Video features to highlight programs for Labor Day

Labor's message will spread across the country this Labor Day weekend thanks to two broadcasting projects being made available to public and commercial radio and television stations by the AFL-CIO.

Developed by the federation's Labor Institute of Public Affairs, the projects include a 15-minute video newsfeed that will be offered some 500 commercial TV stations across the country.

Titled ''The State of Labor, 1985,'' the videotape will be beamed by satellite on Aug. 29 and 30. A 5-minute radio feed taken directly from the video feed will be offered radio stations.

''State of Labor, 1985'' includes a statement by Federation President Lane Kirkland, a segment on the changing situation of workers and their unions with a statement by AFL-CIO Sec.-Treas. Thomas R. Donahue, rare photos and footage of labor history, and a question-and-answer segment with Kirkland.

### Labor songfest

The second LIPA project, ''Singing for the Union,'' is a half-hour celebration of new labor music, a series of specials for public TV. Ninety-one public TV stations will carry the program.

The specials spotlight a new breed of labor troubadours who are composing songs about contemporary workplace issues, such as working mothers and their problems, job safety, and high tech concerns.

LIPA noted that the musical program will appear in markets reaching 47.7 percent of all American TV households and that additional stations may be added to the list.

Meanwhile, New York City's Channel 13 announced plans to begin a month-long series of 10 documentary specials paying tribute to the American worker.

The series, ''Made in the USA,'' will begin on Sunday, Sept. 1, at 6:30 p.m. with ''Singing for the Union.''

The specials will portray the struggles of workers across the country to achieve decent working conditions, fair wages, equality of pay, and human dignity.

## Lillie C. Brown dies, aided labor abroad

New York—A memorial service was held here Aug. 20 for Lillie C. Brown, a former consultant to the AFL-CIO who helped establish the federation's European bureau.

Brown, who died Aug. 19 of a heart attack, was the former wife of AFL-CIO International Affairs Director Irving Brown. She is survived by a son, Robert Brown, of New York.

# Public-sector pacts average 4.9%

First-year wage increases negotiated for state and local government workers during the first half of 1985 averaged 4.9 percent, about the same as that reported for all of 1984, the Bureau of Labor Statistics said.

Data based on 110 contracts covering nearly 560,000 workers also showed that the average annual pay raise over the life of the agreements was 5.1 percent.

The figures compare with increases of 4.8 percent and 5.1 percent, respectively, for all of last year.

Each of the contracts covered bargaining units of 1,000 workers or more. BLS said that of the 558,000 workers covered in the settlements during the first six months of the year, 54 percent were employed in general government and administration, 20 percent in education, and the remainder in health care, transportation and protective services.

The average wage increase was about the same in state as in local government—4.9 and 4.8 percent, respectively, in the first contract year, BLS said. Corresponding increases averaged 5.2 and 5.1 percent annually over the contract life.

''Almost all state and local workers will receive a wage increase during the contract term, and none will have a wage decrease,'' BLS said. ''However, no first-year wage increase was negotiated for 12 percent of local government workers compared with 2 percent of state government employees.''

In key contracts covering 5,000 or more workers, increases in total compensation—wages and benefits combined—averaged 4.7 percent while the average gain over the life of the settlements was 4.9 percent annually.

Bargaining activity in the second half of 1985 will be considerably heavier. BLS said that about 1.1 million state and local government employees may be involved in negotiations, including 737,000 under 177 agreements that had expired or had not renegotiated by June 30.

Another 277,000 workers are under 85 major agreements scheduled to expire between now and December, and 77,000 more are covered by contracts that have provisions for wage reopening.

BLS said nearly nine-tenths of the workers under expiring or reopening agreements are in local government, most in education and general government.

Nearly 390,000 workers are scheduled to receive deferred wage increases averaging 4.9 percent in the last half of this year, BLS said.

These increases will be made under provisions of existing bargaining agreements negotiated earlier.

About 2,000 workers are scheduled for cost-of-living adjustment reviews during the last six months of 1985, BLS added.

## New Jersey plant-closing bill on Kean's desk

Trenton, N.J.—One of the nation's strongest measures to protect workers who lose their jobs due to a plant closing is awaiting New Jersey Gov. Thomas Kean's decision.

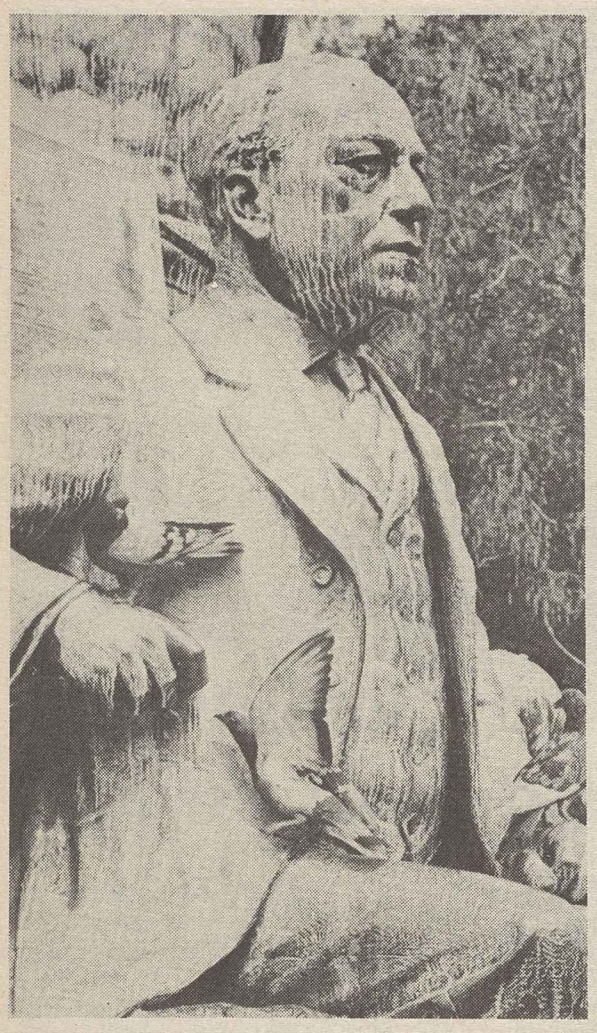
The bill, passed by the state legislature in June, was strongly supported by the New Jersey AFL-CIO, which believes it has an even chance either way to get past the Republican governor.

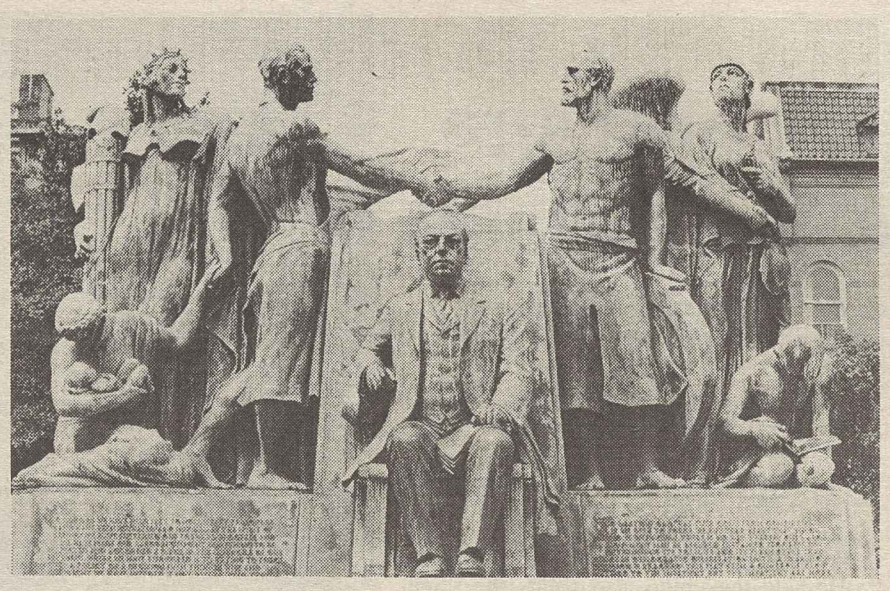
Kean, who has not publicly indicated his position on the measure, has until the next meeting of the legislature to sign, veto or recommend changes in the bill. The legislature is on summer recess, and is expected to convene within the coming month.

The bill would require employers who have been in business for three years or more to give the state up to six months notice of a closing or transfer of operations that would result in the permanent layoff of more than 50 persons, and three months notice to employees.

The measure would also provide six months' extension of health and life insurance benefits and severance pay of up to 12 weeks.

In these respects, the State AFL-CIO pointed out, the bill is more stringent than plant closing bills now in effect in Maine and Wisconsin, the only states that have plant closing laws in effect, or a federal bill reported out of two House Labor subcommittees in June.










# Gompers: worn but not forgotten

The nation's memorial to Samuel Gompers, founder of the American Federation of Labor, needs major repairs and the Metropolitan Washington AFL-CIO is doing something about it.

The city labor federation is stepping up a national campaign to raise funds to restore the 52-year old bronze monument and beautify the park where the statue is located in northwest Washington.

The monument was built by the AFL and dedicated by President Franklin D. Roosevelt in 1933.

A $5,000 contribution from the AFL-CIO launched the campaign in 1983, but the fund-raising effort was stalled by financial problems and was subject to government delay since the monument sits on federal property.

Council President Joslyn N. Williams said funds also are being raised toward a memorial to A. Philip Randolph, founder of the Sleeping Car Porters, the first major union for black workers.

Initially, the labor council had planned only to clean the 16-foot Gompers statue. But an architectural survey by the National Park Service uncovered serious structural problems. The statue has several deep cracks, and erosion has affected the internal ironwork, requiring major repairs on the bronze, iron and granite base. The engineering report estimated the repairs would cost nearly $55,000.

The city government has promised to find a site for a Randolph monument, but the labor council has not decided what would be the most fitting tribute to the labor and civil rights leader, Williams said.

The labor council plans to complete both projects and rededicate the Gompers monument for Labor Day 1986, Williams said.

# *Reagan veto threat of South Africa sanctions triggers deep discord among Republicans*

**By David L. Perlman**

The next target of the veto weapon that President Reagan has been waving may be bipartisan legislation intended to pressure South Africa to dismantle its apartheid system of racial discrimination.

Mainstream Republicans—and even a branch of the GOP's right wing—have been aghast at the growing White House tilt against any semblance of economic pressure to push the cause of human rights.

To achieve the overwhelming bipartisan support sought to send a clear message to the Pretoria government, the original House passed bill was substantially toned down.

The final House-Senate conference agreement included a curb on bank loans to the South African government, a ban on importation of Krugerrand gold coins, and some sales restrictions. It directed President Reagan to submit recommendations for further sanctions if the Pretoria regime does not move toward ending apartheid during the coming year. But it dropped a House-passed ban on new investments in South Africa by U.S. firms.

## Wide margin

The House approved the conference agreement by a thundering 380-48 margin, and a group of 30 Republican conservatives in the House sent President Reagan a letter strongly opposing a veto. The Senate has scheduled action for Sept. 9, after Congress returns from its summer recess.

Bipartisan support for the legislation was an open rebuke to the policy of quiet diplomacy, which the Reagan Administration has consistently asserted will be more effective than sanctions in bringing South Africa to a respect for human rights.

The Administration's policy was sharply criticized by the AFL-CIO Executive Council at its recent meeting. The council called for intensified international pressure to compel an end to government-imposed racial discrimination.

Officially, the White House says President Reagan has not yet made a final decision on whether to veto the legislation when it reaches his desk. But White House officials were sending a clear message of hostility to anything other than the mildest of rebukes to South Africa.

And in right-wing circles, the ideological line was being set by the pro-South African views of Moral Majority leader Jerry Falwell, political fund-raiser Richard Viguerie and White House aide Patrick Buchanan.

## Right-wing target

Their target in the right-wing intramural fight has been the group of so-called populist conservatives loosely organized by Rep. Newt Gingrich (R-Ga.) and generally allied with the presidential aspirations of Rep. Jack Kemp (R-N.Y.).

The pro-sanctions bloc has argued that the goal of a conservative majority won't be achieved through identification with racial segregation. The Washington Post quoted a White House official as retorting that the pro-sanctions conservatives are "politically naive."

These were some of the signals being sent:

- Rev. Falwell, who met with South Africa's President P.W. Botha in a brief "fact-finding" visit to South Africa, said he would urge his followers to buy Krugerrands, invest in firms doing business with South Africa, and lobby senators to vote against final passage of the sanctions bill. He denounced Bishop Desmond Tutu, the Nobel peace prize winner considered the moral leader of non-violent resistance to apartheid, as "a phony."
- Bishop Tutu was also criticized by White House spokesman Larry Speakes, although not directly by name.
- Comments by Reagan's national security adviser, Robert C. McFarlane, and widely reported off-the-record remarks by other senior White House officials strongly pointed toward a presidential veto. The veto message would likely be coupled with strong criticism of apartheid and announcement of some token wrist-slap of South Africa. Commonly mentioned has been a ban on the sale of American computers to South African agencies involved in carrying out the apartheid policy, one of the leading provisions of the legislation.

# HRDI project aids New York state jobless

New York—The AFL-CIO Human Resources Development Institute is working with central labor bodies throughout New York state to get a tally of union members left jobless by plant closings and major layoffs.

The survey project is being conducted in cooperation with the New York State AFL-CIO. Its goal is to set the stage for programs designed to give dislocated workers the best chance of returning to the workforce with decent jobs.

HRDI has already surveyed the state's 31 central labor councils to identify the scope of the problem and is now completing a survey of the state's 1,300 union locals. The surveys are being funded under the Job Training Partnership Act.

The follow-up to the surveys will include:

- Assistance to laid-off workers in obtaining re-employment help.
- Sponsorship of workshops, with the cooperation of the AFL-CIO Dept. of Community Services, to let affected workers know what services and benefits are available.
- Cooperation with the unions, central bodies and local JTPA organizations to develop dislocated worker programs.

Another major project will be a series of training sessions for the 71 union representatives serving on local and state councils set up under the federal Job Training Partnership Act.

Two HRDI-trained employment and training specialists are serving the New York areas—Judith McFatter of the Teachers, working out of the State AFL-CIO's New York City offices, and Edwin Aspinall of the Ladies' Garment Workers, operating from the state federation's Albany headquarters.

HRDI Regional Rep. Tom Scotland is coordinating the program.

# Unions boost Icahn's bid to acquire TWA

The Air Line Pilots and the Machinists ratified new agreements with financier Carl C. Icahn that will give their members at Trans World Airlines profit-sharing and stock in the airline in return for wage and benefit concessions.

The contract approvals virtually assure Icahn success in his bid to acquire the nation's fourth-largest airline and block the attempted takeover of TWA by the anti-union Texas Air Corp. Icahn announced on Aug. 21 he plans to raise his stake in TWA to more than 50 percent, giving him control of the carrier.

Icahn already holds 45.5 percent of the airline's 34.5 million shares outstanding.

Under the three-year agreements, IAM members would receive 20 percent of TWA common stock and 20 percent of company profits in return for a 15-percent wage reduction.

ALPHA members would accept a 26-percent cut in wages and benefits and a lower pay scale for new hires in exchange for the same percentage of stock and profits as IAM members.

Icahn has agreed to provide a minimum of $127 million a year in capital investments to the airline, assuring TWA's continued growth.

The contracts would become effective when Icahn officially takes control of the airline.

## Solid front

IAM Vice President John Peterpaul said that the Machinists, in concert with ALPA and the unaffiliated Federation of Flight Attendants, "have wrested control of their future from the company's board of directors who would have handed TWA over to a proven union-buster."

"This is a historic achievement for these workers. The IAM congratulates Icahn on his success in acquiring TWA and looks forward to working with him," Peterpaul stressed.

Icahn's takeover of TWA would end a protracted battle for the airline between him and Texas Air Corp. President Frank Lorenzo. Lorenzo was bitterly opposed by the unions for his decision to unilaterally abrogate contracts at Continental Airlines, which Texas Air controls.

However, Icahn's position was strengthened after the TWA board of directors rejected proposals by Lorenzo that would have favored the Texas Air takeover bid.

# Labor plays vital role in hurricane rescue

When Hurricane Danny threatened the Louisiana-Texas coast, union volunteers swung into action, preparing for the worst.

Three local union halls designated as coastline disaster centers by the American Red Cross became hurricane watch headquarters, as labor Community Services representatives helped coordinate a relief plan for the anticipated flood and storm damage.

Emergency vehicles were located, 12 fully equipped disaster vans were sent out to low coastal areas and 28 shelters were set up for emergency food and housing.

The shelters housed more than 3,100 people seeking safe ground before the storm struck the western Louisiana coast.

# Outlook remains bleak for action on job hazards

By Arlee C. Green

Workers can expect little progress from the Occupational Safety & Health Administration over the next few years, either in the issuance of new standards or the enforcement of existing ones, an AFL-CIO safety specialist said.

The responsibility for changing OSHA's direction lies with new Labor Sec. William Brock, Margaret Seminario, associate director of the federation's Dept. of Occupational Safety, Health & Social Security, explained to a symposium sponsored by the Urban Environmental Conference. Brock will shortly name a new administrator for OSHA and must decide the fate of a field sanitation standard for farm workers.

Labor will be watching both those actions to see how much independence Brock will be given by the White House, Seminario said.

"He has his first test sitting before him on the field sanitation issue." There has been extreme pressure from the White House and the Office of Management & Budget not to issue this standard, she noted.

"If the Secretary of Labor is not allowed to make a decision to issue a standard (requiring) drinking water, toilets and hand washing facilities for farm workers, you can be sure that when it comes to asbestos... benzene, formaldehyde, that the problems are going to be pretty great," Seminario said. "This is the real bell-ringer to tell us not only what the Secretary of Labor is planning on doing at OSHA, but what he's able to do."

Part of the pressure to stall or abort standards will likely come from OMB's newly named director, James C. Miller III who is awaiting Senate confirmation.

## Personal agenda

"You can be sure that when he comes in as the head of OMB, blocking and stopping OSHA regulations are going to be very high on his personal agenda because that is what this man has been doing for a number of years," Seminario said.

On the appointment of a new OSHA administrator, she stressed the importance of getting someonw "who is respected in the health and safety field."

Seminario suggested that OSHA may complete a few standards over the next few years because of court orders to do so and because of public pressure on such substances as asbestos, benzene and formaldehyde, she said.

Product liability suits against manufacturers and employers have provided the impetus for the business community to apply pressure for at least minimal standards, especially for those three substances, she added.

Workers still hold the key to the setting of standards, Seminario said, citing their success in getting a number of states and communities to adopt stringent right-to-know laws. The grassroots effort will work on other issues such as stress and video display terminals, she said.

In detailing the history of OSHA, Seminario pointed out that the law owes its existence to tragedies in the workplace. Yet major tragedies still occur before adequate enforcement is carried out. Seminario pointed to the recent Oklahoma fireworks plant explosion that killed 21 workers. Now OSHA has announced it will inspect every fireworks plant in the country by next July 4.

Despite severe chemical accidents in Bhopal, India, and Institute, W.Va., OSHA does not inspect chemical plants regularly because they fall below the national average in worker injuries, Seminario said.

After Bhopal, OSHA inspected several facilities that make methyl isocyanate, the toxic chemical that killed more than 2,500 persons in India. OSHA's press releases said it couldn't happen here. The same process, the same plant design exists at Institute and OSHA declared it safe, she said.

Now since the Institute accident with its failed gaskets, gauges and valves, it will be "interesting to see what OSHA has to say."

## OMB involvement

Commenting on President Reagan's latest executive order expanding the power of OMB to involve itself in all phases of the regulatory process, Seminario noted that it requires agencies, such as OSHA, to give OMB an annual regulatory calendar. From this, OMB is telling agencies the type of studies they can do and the information they can collect.

"If you stop the information from being collected, then there is never a problem identified to regulate and that's how insidious it's getting," she observed.



AFL-CIO's Margaret Seminario voices concerns on OSHA's future performance.

# Brock challenged on delay of field sanitation review

The failure of Labor Sec. William E. Brock to reconsider the issuance of a field sanitation standard by a court-ordered deadline of Aug. 9 is being challenged by the AFL-CIO and the Farmworker Justice Fund.

In a petition to the U.S. Court of Appeals for the District of Columbia, a coalition of 29 labor, religious and social welfare groups asked that the court clarify the Labor Secretary's obligation to have completed his review by that date.

The field sanitation standard, as proposed in March 1984 by the Occupational Safety & Health Administration, would have required farmers to provide field workers with portable toilets and clean water for drinking and handwashing.

Following the appellate court's consolidation and dismissal in July of two cases that had been filed to force the issuance of a field sanitation standard, the Labor Dept. considered it was no longer obligated to meet the Aug. 9 deadline. In one of those cases which dated back to 1973, OSHA had agreed to decide by January 1985 on whether to issue a standard.

In April of this year, then OSHA Administrator Robert A. Rowland chose not to issue a final field sanitation standard, a move that drew widespread criticism from Congress, labor, farm and religious groups about the Reagan Administration's "meanspiritedness." Rowland later resigned amid questions of conflict of interest.

## Front burner

Brock, during his Senate confirmation hearings in the spring, had promised to review that decision. For three of the four weeks since the court dismissal of the two other cases, Brock has been on vacation. Following the court request for clarification, he now has put the issue on "the front burner," David Demarest, a spokesman for the Secretary, said.

The petition to the court charges that the Labor Secretary failed to comply with appellate court rules by not responding to the farm workers' earlier petition for review of the decision not to issue a standard.

The coalition asked the court to set a date for oral arguments in the case "at which the Secretary will not be permitted to be heard," as provided under court rules.

In the alternative, the court should at least order the Secretary to respond by Sept. 12 on the decision not to issue a standard.

# *Drain of skilled educators distresses Administrators*

San Juan, P.R.—Concern over the future of education in America emerged as a major theme at this year's convention of the American Federation of School Administrators.

During a panel discussion by school superintendents from urban areas, the warning came that unless proper incentives are provided the profession will continue to lose qualified teachers and administrators.

Dr. Nathan Quinones, chancellor of the New York City school system, said New York is 4,200 teachers short going into the new school year and the city is going abroad to recruit teaching personnel.

Dr. Herman LaFontaine, school superintendent for Hartford, Conn., also indicated concern for the general outlook of education.

LaFontaine said that to maintain good administrators, school systems need to provide the opportunity to grow on the job as well as to earn promotions and higher salaries.

School administrators, like any other workers, need to have an avenue for promotion, he said.

He indicated that teacher salaries in the Hartford area will rise in the next few years to a range of $17,000 to $50,000.

## Teacher exodus

Both men warned that big city systems are losing competent teachers to the suburbs where the pay tends to be higher. They said the key to attracting more qualified people to the profession and to keep top administrators is to improve salaries. This in itself, they agreed, is a compelling reason to join the Teachers or the School Administrators.

The AFSA, which was chartered as an AFL-CIO affiliate in 1976, has about 10,000 members in 78 locals. The union represents middle-level school supervisors, including principals and vice principals, in 14 states and Puerto Rico, with large concentrations of members in the Northeast and Midwest.

The 112 delegates re-elected the union's top slate of officers to new three-year terms as well as eight vice presidents. Re-elected were President Martin Kalish, Sec. Aaron Z. Gordon, Treas. Murray Schneider, and Executive Vice President Theodore Elsberg.

Delegates also updated the constitution to provide for separate offices of secretary and treasurer to conform with the leadership structure now in effect.

## Fair representation

In another panel discussion, Attorney Bruce Bryant of Local 1 in New York City stressed the duty of local unions to accord members fair representation in grievance procedures.

On the same panel, Lynne S. Coffin, general counsel for the union in New York, spoke of the need for union representation in cases where local boards of education "play politics" in the hiring and placing of teachers.

Mark Cousin, counsel for Local 28 in Detroit, emphasized that locals should write into their contracts provisions for releasing teachers according to seniority during reductions-in-force, or RIFs. Without such contract provisions, he said, school districts might be able to release personnel as they wish.

Cousin said there has been an increase in RIFs in recent years, and called upon locals to review their contracts to insure members' protections.

The convention concluded with a women's caucus, which focused on promoting female leadership within the union, and a meeting of presidents of 70 AFSA locals for an exchange and dialogue on their problems.

# Reagan policies blamed by study for 'import shock'

Continued from Page1

tially more than the oil import price escalation of the 1970s.

- Goods-producing industries have felt the brunt of the import battering. The most severely-affected sector is capital goods, "for decades the mainstay of U.S. trade and the symbol of U.S. industrial strength."
- The United States has become a "net debtor" nation, after having been a "net creditor" to the rest of the world since 1914.

Dingell said the deterioration of the nation's economy began when the Reagan Administration "cut taxes for the rich and financed a military buildup with budget deficits."

But "because this Administration harks back to some golden age of 'free trade,' it fails to offer any semblance of a policy to address trade and industrial ills, whether resulting from its own errors or the cheating of other nations," Dingell charged.

The staff report examined the competitiveness of American industry, apart from the distortion caused by the exchange rate of the dollar.

Unit labor costs, the report noted, are one of the important measures of industrial competitiveness. It cited a study undertaken by the Citicorp Bank research department last fall as bearing directly on that issue.

The Citicorp study examined data on unit labor costs for the United States and 11 other industrial countries for the 1980-83 period in what was described as "an attempt to separate real cost factors from the effect of changes in exchange rates."

The conclusion was that the United States had outperformed nearly all other industrial nations during that period. The median increase in labor costs for the 11 other countries was about twice that in the United States.

But the distortion of the dollar exchange rate gave every other country in the comparison an artifically created unit labor cost advantage, the study found.

# Rubber Workers ratify Armstrong contract

Akron, Ohio—The Rubber Workers approved a new three-year agreement with Armstrong Rubber Co. that provides wage increases and benefit improvements for 2,600 employees.

The pact, similar to the union's settlements earlier this year with the Big Four tiremakers, was ratified by four of the five URW locals representing Armstrong workers.

The new contract increases hourly wages by 25 cents the first year, 10 cents the second, and 8 cents the third. It also provides for cost-of-living adjustments and improvements in health care and supplemental unemployment benefits and pensions.

The agreement covers workers in West Haven, Conn., Des Moines, Ia., Natchez, Miss., Madison, Tenn., and Hanford, Calif. Only the Madison plant voted against it.

# Court slams Reagan stand on benefits

**Continued from Page 1**

Public outrage at the harsh policy spurred unanimous approval by Congress of labor-urged legislation to set up safeguards and put the burden on the government to show that a recipient is no longer occupationally disabled.

But new applicants are still being turned down for reasons the courts have rejected in the past, the injunction decision stressed.

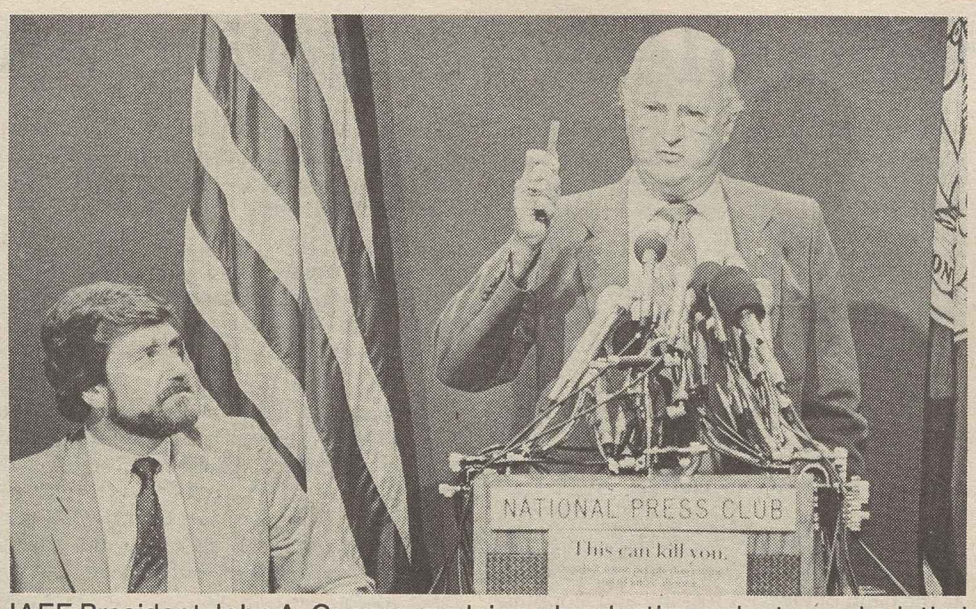
The Social Security Administration first adopted a policy of applying a court decision only to the case directly involved, without changing its rules for similar cases. When that brought a new burst of congressional protests, the agency last June modified its regulations so that a ruling by a circuit court of appeal would be followed as a guide by administrative law judges in that judicial circuit.

### Not far enough

But the change didn't go far enough, Judge Sand ruled. A court-mandated policy is binding in the judicial circuit where it was handed down, he said, and should be applied at the first stage of an application for benefits. Half the applicants who are denied disability benefits don't carry an appeal to the administrative law judge level, often because of their unfamiliarity with the law.

The City of New York had joined in seeking the court order, noting that it faces a heavier welfare burden when federal disability benefits are cut off or denied.

Further hearings before Judge Sand will be held to determine if the temporary injunction should be made permanent and to decide on compensation for persons who have been improperly denied benefits.




IAFF President John A. Gannon explains why plastic products can be lethal in a fire. At left is Legislative Director Harold Shaitberger.

# *Fire Fighters call for tests of all building materials*

The Fire Fighters intensified the union's campaign for tougher state laws to require testing of all building materials, while attempting to extinguish a blaze of protest from the Society of the Plastics Industry, Inc., concerning the IAFF's film, "The Burning Issue."

IAFF President John A. Gannon, at an Aug. 21 press conference, explained that the film is part of the union's overall campaign for updating of state codes to require the testing of all building materials before they can be used in construction.

Gannon said, "Our crusade (is) to make fire fighting safer and to reduce the staggering number of deaths caused by fires in this country." He pointed out that nearly 80 percent of some 6,000 fire-related deaths every year are caused by smoke inhalation, and that, in a fire, plastic products produce extremely toxic fumes.

Several states, including New York, may soon require makers of building and furnishing materials to test their products for toxic-gas emission during fires. Pittsburgh already has an ordinance barring the use of plastic pipe and conduit in new and renovated buildings higher than three stories.

"The plastics industry doesn't want this film shown because they don't want you to know the truth about some products which are very dangerous," Gannon said. The industry has tried to stop public television stations from showing the 26-minute film.

"They have even gone so far as filing a motion with the Federal Trade Commission to block its showing," Gannon said.

In its motion to the FTC, the industry called the IAFF film "anti-competitive in purpose and effect." The film was financed in part by a steel electric pipe manufacturer, but the IAFF had full editorial control over the film, Gannon said.

The film shows scenes from fires at the MGM Grand Hotel fire in Las Vegas and the Beverly Hills Supper Club in Kentucky where many people died from smoke inhalation.

### Multiple dangers

The danger to the public and firefighters, however, is not limited to the fumes from burning plastic, Gannon insisted.

"We've seen in recent incidents in West Virginia and in accidents on the Washington beltway that chemicals can be very dangerous when they are being manufactured or transported," he said.

"Something must be done to help fire fighters carry out their jobs better and to help defend the public's right to know. Otherwise, it's like trying to save people's lives while blindfolded."

The IAFF president also cited the hazards of polychlorinated biphenyls (PCBs) which when burning can produce dioxin, one of the most dangerous substances in the world. In 1977, the Environmental Protection Agency banned the use of PCBs in power transformers and ordered the phase-out by 1990 of those already in existence. Several power companies are now preparing to challenge the ban in the courts, Gannon said.

# Montana delegates back plan to strengthen COPE's role

Helena, Mont.—The Montana AFL-CIO has launched a campaign to encourage union members to sign voluntary agreements to join in political action efforts on behalf of COPE-endorsed candidates.

The action was approved at the State AFL-CIO convention here to boost support for pro-labor candidates. It would commit a participating member to campaign for COPE-endorsed candidates by going door-to-door, manning phone banks, putting up signs or whatever other efforts are needed, COPE Director Don Judge said.

In other major action, the 120 delegates re-elected State AFL-CIO President Jerry Driscoll and Executive Sec. Jim Murry to two-year terms. Both were unopposed.

Murry conducted one of three workshops that highlighted the convention. Titled "New Directions," it sought to boost delegate input on the goals of the state federation.

A workshop on state and national tax structures was conducted by the Montana Alliance for Progressive Policy (MAPP), a coalition of labor, agriculture, conservation, women and education groups.

Candy Brown, regional coordinator of the Human Resources Development Institute and the State AFL-CIO staff conducted a workshop on employment and training programs, reviewing federal and state programs and how unions can have greater input.

Gov. Ted Schwinden (D), in an address to the convention, said organized labor hasn't done a complete job in telling its story to the public. He urged the delegates to work to get labor's message out.

Dave Wanzenried, director of the state's Labor Dept., praised the Montana AFL-CIO's job training programs for meeting or exceeding their goals in terms of placement of trainees, wage levels of trainees placed and in other areas. "They are almost categorically better than any program directors in the state," he said.

### Fighting RTW

Idaho AFL-CIO President Jim Kerns detailed labor's efforts in Idaho to defeat a so-called right-to-work law. Union members led the successful effort to put the recently passed measure to a referendum.

Rep. Patrick Williams (D-Mont.) told the delegates of legislation he is sponsoring to create a federal occupational disease compensation program and require employers to purchase federal liability insurance.

Other guest speakers included Aluminum, Brick & Glass Workers President Lawrence A. Holley; Henry Bechtholdt, director of the Cement, Lime & Gypsum division of the Boilermakers; AFL-CIO Field Rep. Tom Patterson; Carpenters Executive Board member Paul Johnson; Director Alan Kistler of AFL-CIO Dept. of Organization & Field Services; Electrical Workers Vice President John Walters; Food & Commercial Workers Vice President Don Hofer and Field Rep. Earl McDavid of the AFL-CIO Union Label & Service Trades Dept.

# OSHA redrafting job hazards rule under court order

The Occupational Safety & Health Administration is drafting a notice to expand its hazard communication standard, the so-called right-to-know rule, to include all employers, not just those in the manufacturing sector.

The agency's action was ordered by the 3rd U.S. Circuit Court of Appeals last May in a lawsuit filed by the Steelworkers. The court directed the agency to expand the standard to all industries unless it could show why that was not feasible.

Acting OSHA Administrator Patrick Tyson said the notice, to be published in about a month, would seek recommendations on how best to accomplish this.

The agency will then issue an advanced notice of proposed rulemaking, the first step in ordinary standard-setting. Tyson said there are "some problems" in including all employers under the rule. He cited the difficulty in applying the training requirements to construction sites. A department spokesman said it is likely that a final rule will be ready by the end of 1986.

The Labor Dept. last month let its appeal deadline pass and decided against seeking a Supreme Court ruling in the matter.

# Jobs outlook seen mixed in Tennessee

Nashville, Tenn.—The impact of the changing nature of the economy on Tennesseans provided a focal point for delegates to the State AFL-CIO's 14th biennial convention.

On one hand, the convention welcomed the decision by General Motors' Saturn Corp., to locate its new $3.5-billion automated car manufacturing plant in Spring Hill, Tenn., for the thousands of jobs it will bring.

On the other hand, economic policies of the Reagan Administration continue to cost the state jobs in other industries, notably textiles and shoes.

To cope with the job losses due to imported goods and plant closings, the convention adopted a number of resolutions to protect worker rights.

Noting the increasing flight of multinational companies abroad, the 400 delegates passed a measure calling for an end to tax incentives that foster plant closings and requiring adequate advance notice of such closings.

Other resolutions opposed President Reagan's attempts to tax major employee benefits and scored the union-busting activities that have clouded labor-management relations under this Administration.

Illustrative of the anti-union efforts of some employers, the current negotiations between Local 34 of the Broadcast Employees & Technicians and WKRN—Channel 2 in Nashville—were held up as a case in point.

### 18th Century style

Channel 2, the only unionized television station in Tennessee, recently was purchased by Knight-Ridder Broadcasting, Inc., which is asking its workers for massive contract concessions.

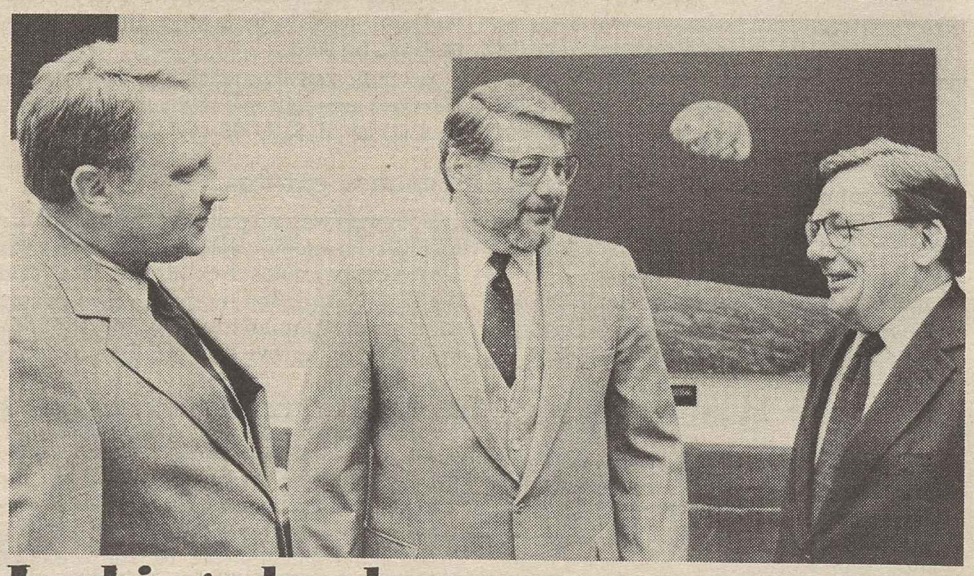
The delegates unanimously passed a resolution censuring the ABC affiliate for its "18th Century practices of labor-management relations." The measure called for a fullscale campaign to support the 62-member NABET unit in its struggle to preserve its contract.

Ken Moffett, assistant to the president of NABET, told delegates Channel 2 is not bargaining in good faith. The station's hiring of an anti-union law firm is clear evidence it is "out to bust the union," Moffett told the delegates.

During the four-day meeting, delegates re-elected President James G. Neeley, Sec.-Treas. Eddie Bryan, 1st Vice President H.T. Powell and 2nd Vice President Charlie Dunning.

Also elected were four new vice presidents, James Hale of the Laborers, Nashville; Ed Pierce of the Machinists, Chattanooga; Rev. James E. Smith of the State, County & Municipal Employees, Memphis, and Eddie Whitefield of the Stove & Furnace Workers, Lewisburg.

Among the speakers were Sen. Albert Gore, Jr. (D-Tenn.); Rep. William H. Boner (D-Tenn.); Paperworkers President Wayne Glenn; President Norman Hill of the A. Philip Randolph Institute, and State Labor Commissioner Francis Guess.



## Looking ahead

Police Associations President Robert B. Kliesmet and newly elected Sec.-Treas. Al Angele, center, discuss union agenda with AFL-CIO President Lane Kirkland. Angele was recently elected to a five-year term.

# EDITORIALS

## An Earned Right

YOU HAVE a big stake in social security. Throughout your working life, you're building up an entitlement to social security benefits. These are earned rights—you earn them by your work and your contributions.

What's more, for every dollar you put into this system, your employer is required by law to put in one dollar, too—insuring better benefits for you and your family.

Most people think of social security as a pension plan which will help provide for them in their retirement years.

Sure, it's a pension plan—and a good one, too. The average retired worker in 1985 receives $449 a month; the average aged couple's monthly benefits amount to $776.

But social security is more than just a pension plan. It also provides:

**Disability Insurance**—to help you and your family if you become too disabled to work. (The average disabled worker with spouse and children receives $893 a month.)

**Life Insurance**—to provide income for your spouse and dependent children if you should die during your productive years. (The average surviving spouse with two children receives $998 a month.)

**Health Insurance**—to help retirees and the severely disabled meet hospital and medical bills which can take such a big bite out of their budgets.

So social security is, in a very real sense, a family protection plan.

OPPONENTS OF social security claim that you can buy bigger retirement annuities from private insurers for the same amount of dollars you put into social security. That's not true.

For one thing, these people include the employer's contribution—which your boss has to make under social security, but which he would not be required to make toward financing a private annuity.

For another, they completely overlook the other key features of social security—disability insurance, life insurance and health insurance.

Your benefits are indexed to wages during your working years, and indexed to prices after you start receiving them. Only social security can give you this total insurance package at a price that's within reach of your family budget.

Because nine out of every 10 jobs are covered by social security, its benefits move with you from job to job. It doesn't matter how often you change occupations.

In 1983, Congress passed and the President signed into law social security amendments which closely followed the recommendations of the bipartisan National Commission on Social Security Reform.

As a result, the social security trust funds are already building up multi-billion dollar surpluses each year. So social security will be there when you and your family need it—whether the need arises out of retirement, disability or death.

Opponents of social security are trying to drive a wedge between young and old Americans—between those paying into social security and those drawing benefits. But it won't work.

IF IT WEREN'T for social security, someone would have to support your parents and grandparents in their old age. Someone would have to support disabled workers and their families. Someone would have to support surviving spouses and their dependent children.

You'd either have to take over the direct financial support of needy relatives, or you'd have to pay more taxes for expanded welfare programs.

Social security is an easier and fairer way of meeting the needs of the elderly, the disabled, and surviving spouses and dependent children. It provides benefits as a matter of right, not in the demeaning form of welfare or charity.

Social security is today what it has been for the past 50 years: an alliance between workers and retirees, to make certain that neither group will be shortchanged.

*—From "The Worker's Stake in Social Security," AFL-CIO Publication No. 167.*




**Washington Window**

# Job Corps wins friends, but not at White House

**By Press Associates, Inc.**

The Job Corps, now in its 20th year, is a tested and popular program.

It's popular with congressional liberals and many conservatives. It's popular with the communities across the country where 107 Job Corps centers are located. It's popular with disadvantaged high school dropouts who were redirected from lives of poverty, welfare, despair and crime to become productive members of society.

With its proven track record, which studies have calculated in terms of dollars and cents as well as in terms of human success stories, one might think that the Job Corps would even be popular with the Reagan Administration. But think again.

While praised in the past by President Reagan and Labor Dept. officials, this year the Job Corps was among several domestic programs the Administration sought to eliminate from the Fiscal 1986 budget.

Fortunately, Congress refused to go along. Before its August recess, it approved a budget resolution which would fund the program next year at its current $617 million level plus inflation.

### Fight continues

However, the fight to save the Job Corps from termination or crippling cutbacks isn't over since Congress still must pass appropriations legislation to fund the program in its budget resolution.

The White House, meanwhile, has been wielding the veto threat over spending bills it doesn't like. In a direct challenge to the congressional budget process, presidential spokesman Larry Speakes said recently that Reagan would seek to hold domestic spending to levels contained in a budget resolution passed earlier by the Republican-led Senate. Reagan wants the line-item veto so he wouldn't even have to negotiate with Congress for more cuts.

Since its inception in 1965, more than a million disadvantaged young people have been served by the Job Corps, a disciplined residential program which provides vocational training, remedial learning, counseling and job search assistance.

Training is given in occupations including auto repairs, heavy equipment operation, carpentry, clerical and office work, and electronic assembly. Several trade unions play a key training role at many centers.

About three-fourths of all enrollees move on from the Job Corps to either a job, a school or the military. One well-respected study showed that for every $1 spent on the program, there was a $1.46 return to society in terms of increased employment and revenues, reduced welfare payments, and less crime and incarceration.

### Change of mind

Iowa Republican Congressman Jim Lightfoot became a staunch defender of the program after a close, first-hand look. "I spent half a day at the Dennison Job Corps center and it was a real eye opener. What I saw were disadvantaged kids—kids who before they were enrolled in the program were destined to a life of low-paying jobs, welfare dependency, and despair," the congressman told a House Government Operations Employment & Housing subcommittee on which he serves.

Lightfoot said the enrollees "were there working together to improve their lives. I saw hope on those kids' faces. I was also impressed with the attitude of the students, the enthusiasm of the instructors, and the strong support of the community.

"As a fiscal conservative, many people are surprised by my strong support for the Job Corps program," he continued. "Although efforts must be made to reduce the large federal deficit, they must not come at the expense of programs that work."

As the Government Operations Committee concluded in a recent report, "The Job Corps is one of the success stories of the War on Poverty. This committee believes that society receives full value for the money spent on it. Attempts to eliminate or significantly cut this program, which represents the best hope for so many disadvantaged young people, are short-sighted and ill-advised."

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# MEMO FROM COPE

**WATCH OUT,** presidential hopefuls, you're going to be put on the griddle. Right-wing leaders are reported to be planning National Conservative Convention in Dallas July 2-4, 1986 (get the symbolism of July 4; these folks own Independence Day). It will be like a political party convention, complete with state delegations. Delegates will be drawn, in the description of one planner, from "the separate religious, economic and defense/foreign policy wings" of the ultra-conservative movement. Candidates for GOP 1988 presidential nomination doubtless will be invited and will speak to convention. Before that particular collection of right-wingers, representing just about every issue on their vast agenda, candidates better say exactly the right thing on everything or risk a chorus of boos—possibly on national TV — and an early collapse of candidacy.

**NOT RUNNING** for re-election to U.S. Senate in 1986 is Paul Laxalt (R-Nev.), the President's best buddy in Congress and a major voice in GOP ultra-conservative circles. His announced retirement as of end of term gives boost to Democratic hopes to gain control of Senate in next year's elections. GOP presently has 53-47 margin, must defend 22 seats next year to only 12 for Democrats. Laxalt's was considered safe for GOP, but now is viewed as Democratic possible pick-up. With Laxalt will depart 90 percent "wrong" score on AFL-CIO voting record, among worst in Senate.

**YES, RUNNING** for re-election is Illinois Gov. Jim Thompson (R), seeking fourth term. Already holds state's record for length of service as chief two races going away, but last time around—1982—exec, has served since 1977. Thompson won first barely squeaked by former Sen. Adlai Stevenson III by only 5,074 votes, smallest plurality in governor's race in Illinois history.

**MAYBE RUNNING** is actor Fess Parker, who says idea of 1986 try for Senate from California is intriguing. He played Dan'l Boone and Davey Crockett in TV series, also—and more to the point—starred in "Mr. Smith Goes to Washington." If he runs, it would be to seek GOP nomination against incumbent Democrat Alan Cranston.

## Odds 'n Ends

**CHRISTIAN RIGHT** continues deepening political involvement. Wall Street Journal runs lengthy story about relatively unknown group, Maranatha Christians, headquartered in Gainesville, Fla. Claims about 4,000 members—mostly college youth. About 100 of them went door-to-door for the election of ultra-right Rep. Mark Siljander (R-Mich.), others were very active for Jesse Helms' re-election last year. They draw praise from rightist leaders for producing bodies at rallies for ultra-conservative candidates and causes. They're headed by a guy who claims a "gift" of revelations from God.

**ON SAME TRACK,** apparently recent suggestion by rightist chief Richard Viguerie to TV evangelist Pat Robertson is being taken seriously. Viguerie said he thought Robertson would make good presidential candidate. Now come reports Robertson is giving it thought. His TV talk show, the 700 Club, reaches millions of homes, and he has a donor base as large as the GOP National Committee that produces some $200 million a year for his various enterprises. He recently responded to a question about a presidential race, saying "I'm praying about it," but news accounts indicate he's gone past prayer. The Washington Post claims he's purchased a 24-seat jet plane, set up a precinct organization called the Freedom Council, provided seed money for a research arm, and strengthened ties to key rightist leaders—Viguerie, Paul Weyrich of the Free Congress Foundation, Howard Phillips of Conservative Caucus.

**WHILE ON SUBJECT,** James Reichley of Brookings Institution comes out with book, "Religion in American Political Life," whose figures dramatically illustrate climb in GOP strength due to support among Christian fundamentalists. He says they went from 56-43 pro-Democratic in 1976 presidential election to 61-39 in 1980 and 81-19 last year. In hard numbers, trend translates into a switch of 8.25 million votes for President from Democrats to GOP among nation's 22 million born-agains. Equally significant, this same group cast 77 percent of its ballots for GOP congressional candidates last year, a sign that more than Reagan is moving them.

**GOP FRESHMAN** crop scores high on rightist group's voting record. Fund for Conservative Majority says GOP Class of 1984 is "significantly more conservative" than upper-classmen, finds 31 freshmen have over-all support score of 87 percent on 10 issues used by rightists. Eight of them score 100 percent. Two key GOP House leaders also reach perfect score by Fund's standards—Minority Leader Bob Michel (Ill.) and 1988 presidential hopeful Jack Kemp (N.Y.).

**MONEYBAGS** Republicans still piling it in, leaving Democrats way behind. Combined finances of three major GOP committees—National and House and Senate — pulled in $53.2 million January through June, while their Democratic counterparts managed $14.3 million. This 4-1 edge, though awesome, doesn't live up to margins of past few years, when 8-1 and 10-1 were common.

## 'Impressions'

**If "favorable impression" of a politician among the public can be translated right now into a presidential sweepstakes, then Vice President George Bush heads the GOP eligibles and former President Jimmy Carter and Sen. Ted Kennedy are out front among Democrats. That's what a Washington Post-ABC poll shows.**

**As far as anybody knows, Carter isn't running, despite his elevated standing. On the other hand, in the GOP former President Richard Nixon isn't running either, and the poll puts him ahead of Rep. Jack Kemp among GOP leaders in "favorable impression" but even more ahead in "unfavorable."**

**Among Democrats, Carter and Kennedy each have 55 percent favorable rating, with Carter 39 and Kennedy 33 percent unfavorable. The balance of responses are 'don't know."**

**In order, rounding out mentioned Democrats favorable to unfavorable were: Chrysler Chairman Lee Iacocca 49-15; Sen. Gary Hart 47-22; Rev. Jesse Jackson 43-41; Gov. Mario Cuomo 24-12.**

**President Reagan is out front of Bush among GOP leaders but ineligible to run again. Following Bush's 59-28 rating are former Sen. Howard Baker 38-15; Sen. Bob Dole 36-15; Nixon 28-64; Kemp 21-10.**

**Don't bother to ask how the lists were determined or, for that matter, why the poll was taken.**

## Velasquez, David Named COPE Aides

**COPE Director John Perkins announced appointment of Marta M. David and Joe Velasquez as assistant directors.**

**David served for eight years as research director and deputy director of the Democratic Congressional Campaign Committee. Previously, she worked for the Democratic National Committee and for the successful 1976 presidential campaign of Jimmy Carter. She is a graduate of Catholic University, Washington, D.C.**

**Velasquez was COPE region director for Ohio and Michigan. Among previous positions: International Representative, United Auto Workers; Ohio administrator of industrial relations; U.S. Labor Dept., Labor Liaison for OSHA; field director, Labor Council for Latin American Advancement; Hispanic political coordinator for Mondale-Ferraro 1984 campaign. He is a graduate of Indiana State University.**

# HUBRIS — Beware, GOP . . . it goeth before a fall

**HUBRIS: (noun) Exaggerated pride or self-confidence often resulting in retribution.**

*—Webster's New Collegiate Dictionary*

The Republicans possess hubris, scads and scads of hubris. They got more hubris than sense. When it comes to hubris, they're the reigning champs. Boy, are they hubristic.

One thing about hubrism, sooner or later it brings you down, "resulting in retribution." Like, for example, the Republicans swaggered into the First Congressional District of Texas a while back just certain that the sun was shining for them alone down there, and what happened? They up and lost a special U.S. House election they spent $1½ million trying to win and sure they'd do it.

Now a little more news comes along just instructing us all over again that pride and hubris goeth before a fall, and you never know when you're going to get egg on your face.

There were the Republicans again, making a big splash early last May promising to move into four states — Florida, Louisiana, North Carolina and Pennsylvania — and get 100,000 registered Democrats to switch registration and join the GOP.

They were going to achieve this in 100 days with a budget of $500,000. But life caught up with their hubris.

They announced recently they're going to keep the campaign going past the 100-day mark — and past the $500,000 mark, for that matter. Latest cost figure is up to $750,000 (or $7.50 per crossover if they reach target) and many observers feel three-quarters of a million doesn't begin to reflect what the GOP is *really* spending.

Even though they're already *claiming* success, independent surveys dispute them.

Take Florida. When they launched this "Operation Open Door," GOP leaders set a goal of 45,000 converts there. A survey by the Tampa Tribune reported switches of only 6,340 Democrats in the GOP's target counties.

To get what they got, the GOP mailed 400,000 letters to registered Florida Democrats, hired solicitors to go door-to-door and paid them $4.50 an hour, plus $5 for every voter they bagged.

In North Carolina (home of Jesse Helms) a Charlotte Observer survey of all counties found 2,130 Democratic defectors. The GOP target was 15,000.

Reportedly, but without authentication yet, the Open Door drive was doing better in Louisiana. In Pennsylvania, no figures were available as this went to press.

The fact is, no matter the final results — even if the GOP reaches its goal — the campaign is tainted.

Spend enough money and take enough time and you can probably convert base metal to gold, let alone Democrats to Republicans—or, for that matter, Republicans to Democrats.

No matter how they proclaim it, the GOP's Operation Open Door slammed in its face.

They really oughta get rid of that hubris.

AFL-CIO news

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AUGUST 31, 1985

# Reagan stand barring shoe quotas blasted

By John R. Oravec

President Reagan's refusal to provide any kind of import relief for American shoe factories and their workers drew sharp rebukes from unions, industry and both Democrats and Republicans in Congress.

Reagan rejected recommendations of the International Trade Commission to place quotas on imported shoes that retail for more than $5 a pair. Earlier this year, the ITC found in a unanimous decision that the domestic footwear industry has been seriously injured by imports, which have now claimed 76 percent of the U.S. market.

Since 1968, the torrent of imports—surging to more than 700 million pairs last year—has forced the shutdown of 500 U.S. shoe factories and wiped out 120,000 American jobs.

The ITC's recommendations for a five-year plan of quotas and other remedies would have initially limited imports to 454 million pairs a year while the U.S. footwear industry retooled to challenge the competition of low-wage imports.

Footwear union presidents, Murray H. Finley of the Clothing & Textile Workers and William H. Wynn of the Food & Commercial Workers, said in a joint statement: "It is a bitter day for American shoe workers and their families. President Reagan's refusal to save the shoe industry is a callous and deplorable act."

AFL-CIO President Lane Kirkland said Reagan's decision "is further evidence that this Administration is locked into dogmas of the quiet past that don't meet the needs of the stormy present."

## National issue

Citing the imbalance in international trade as the nation plunges toward a record $150-million trade deficit in 1985, Kirkland said the import problem has become a national issue that requires immediate attention.

"There is not just a groundswell but a tide—a strong current of deep concern about stripping the United States of its capacity to produce essential goods," he stressed.

"The case of the shoe industry was overwhelming. The case of the injury and the circumstances that brought about that injury are overwhelming. If the President can't respond to that, it's hard to see what element of the problem he can respond to."

Similar criticism came from members of Congress representing shoe-producing states:

- Sen. William Cohen (R-Me.) branded Reagan's decision "grossly insensitive to the needs of the 200,000 shoe workers throughout the country. . . . By refusing to impose quotas on the cheap foreign shoes which are flooding the country, the President is effectively signing the death warrant of the U.S. footwear industry."

Continued on Page 3

**LEGISLATIVE ALERT!**

PAGE 8

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8/31/85

# ITU members rebuff Teamster takeover bid




**Motown to Coaltown**

A 217-vehicle caravan of Auto Workers is welcomed to a Mine Workers rally in Belfry, Ky., for 1,500 unaffiliated UMW members on strike against the giant A.T. Massey Coal Co. The convoy, bearing signs of "Motown to Coaltown—Support and Solidarity," brought much needed food, clothes and money. (Story and more photos, Page 5.)

## *Merger plan rejected by 2-to-1 vote*

Colorado Springs, Colo.—The Typographical Union crushed a takeover attempt by the unaffiliated Teamsters, rejecting a proposed merger by a 2-to-1 margin—34,234 votes to 17,547.

ITU President Robert S. McMichen credited the union's "traditions of democratic unionism and involvement with the mainstream of organized labor" as the deciding factors in the sweeping rejection of the Teamsters.

About 75 percent of ITU's active and retired members cast ballots in the referendum, which was conducted by the American Arbitration Association. Some 3,000 ballots were challenged, mainly by pro-Teamster observers, but they are too few to affect the outcome.

The AFL-CIO welcomed the results of the mail refendum. Federation President Lane Kirkland declared the ITU members "have overwhelmingly rejected the attempt of the Teamsters to take over their union."

## Fraternal support

Noting the tally is a "strong affirmation of the printers' historic belief in democratic trade unionism," Kirkland pledged that the federation will "continue to assist the ITU to maintain the high standard of representation of its members who face a time of challenge and change in the publishing industry."

The referendum results are a defeat for Teamsters President Jackie Presser who personally initiated IBT's push to take over the ITU, the nation's oldest union.

McMichen, in a joint statement with Vice Presidents Billy J. Austin and William Borman, said that because of the large turnout, "we are confident this strong vote will put the Teamster affair well behind us. We look forward to the resumption of cordial relations with the Teamsters and expect to be working with them wherever the need arises to serve our two unions' mutual interests."

McMichen observed that many ITU members in casting ballots for the Teamster offer "were voting more for the concept of merger with a larger union than with the Teamsters specifically. We plan to move

Continued on Page 4

# 'Resurgence' of unions keys Labor Day themes

"A new spirit of solidarity and confidence" is growing within the labor movement, AFL-CIO President Lane Kirkland said in his Labor Day message, and he predicted it will lead to a brighter future for America's workers.

Kirkland noted that over the last five or six months "that spirit has forced itself on the attention of observers who were saying only last year that our movement was a thing of the past." The difference this year, he said, is that "most commentators see 'resurgence,' not 'decline,' as the word for the American trade union movement."

As for his own observations, Kirkland said that his recent meetings with thousands of union members in all parts of the country have convinced him that "internally, at least, this movement was never in better shape. Morale is as high as it has even been in my lifetime."

## 'Continuing problems'

The spirit of renewal now pervading the labor movement set the major theme for the Labor Day statements of Kirkland and Sec.-Treas. Thomas R. Donahue. But they also pointed to the setbacks and the "enormous continuing problems" confronting organized labor.

"Coming out of the worst recession since the Great Depression of the 1930s, we find economic policies designed to keep unemployment permanently at recession levels," Kirkland charged.

"We find our country opened wide to floods of imports that are systematically driving American goods from the American marketplace and inflicting injuries from which some of our most essential industries may never recover."

Kirkland charged that these and other afflictions grow directly from policy choices by the Reagan Administration and "blunders committed by corporate managers." He accused the Administration and its corporate allies of trying "to make American workers their scapegoats and to depress their living standards" by subverting the laws designed to protect workers, giving new benefits to

Continued on Page 5

# Railroad Yardmasters' vote clears affiliation with UTU

Park Ridge, Ill.—The Railroad Yardmasters, a 67-year-old union with a proud history but a declining membership, will become an affiliate of the United Transportation Union this fall.

Members of the Yardmasters voted 3-1 approval of the merger-affiliation agreement in a referendum ballot. The UTU board of directors had earlier unanimously endorsed the proposal.

The UTU has 130,000 active members in the United States and Canada, and is the largest of the railroad operating unions. The Yardmasters, with 2,400 members, represents supervisors in railroad yards.

UTU President Fred A. Hardin welcomed the decisive vote of approval by the Yardmasters as "a major step toward our mutual goal of a united rail labor organization." The UTU was founded in 1969 by a merger of four railroad unions.

Yardmasters President A.T. Otto, Jr., predicted "a harmonious future" for his union, which has struggled under the shrinkage of railroad employment. "We must unify to protect the welfare of our members," he stressed.

While the affiliation is subject to final approval at the UTU's next convention, in

Continued on Page 4



USWA members protest Wheeling-Pittsburgh tactics.



USWA Vice President Leon Lynch, center, leads march to W-P, flanked by District Directors Paul Rusen and Andrew Palm and local presidents.




Scott Oliphant and parents Lois, president of USWA Local 8481, and Jim show solidarity, family style.

# *Steelworkers' rally builds support for Wheeling-Pitt lockout victims*

Pittsburgh—Steelworkers raised their voices against the union-busting tactics of Wheeling-Pittsburgh Steel Corp.'s chairman Dennis Carney at a solidarity rally here Aug. 26.

Nearly 2,000 locked-out Wheeling-Pittsburgh workers, their families and supporters gathered at "Steelworker Plaza" near USWA headquarters for speeches and songs, then marched to W-P's corporate offices, chanting "Carney's got to go."

The rally was billed as a message not only to Wheeling-Pittsburgh and Carney but to other steel companies whose agreements expire next July 1. In an earlier letter to members, USWA President Lynn Williams said "the pattern of steelworkers' wages will not be set by one bankrupt company."

Paul Rusen, the union's chief negotiator told the protesters they were sending a clear answer to the industry's cry for more concessions, and "we're not going to walk backwards anymore."

USWA District 15 Director Andrew Palm said the action at Wheeling-Pittsburgh "awakened a sleeping giant" at a company that hasn't had a work stoppage since 1959. "We're going to rise up right across this country starting today," he vowed.

Rally speakers promised to keep up the fight to defend their union, and blasted Carney for his "lack of feeling for working people."

Eight busloads of workers came from Local 1229 in Monessen, Pa., and another 10 from Local 1187 in nearby Allenport, both closed W-P plants. More than 200 USWA members and supporters made the trip from Chicago and Gary, Ind.

A gate-collection and fund-raising drive by District 31 members in Gary, Ind., resulted in a $29,000 donation to the W-P members. "Our contract is coming up next and we don't want them coming after us," said Local 1010 vice president Mike Olszanski.

### Financial aid

The USWA also created a "Wheeling-Pitt Strike Fund" to provide financial assistance, and established an emergency medical plan which offers health benefits to the idled steelworkers and their families. Medical benefits for W-P workers were cut off by the company on July 22. Other donations to the fund have exceeded $13,000.

More than 8,600 workers at nine Wheeling-Pittsburgh plants in Pennsylvania, West Virginia and Ohio have been off the job since July 21, after the nation's seventh largest steelmaker filed for bankruptcy and announced plans to slash their wages and benefits.

On July 17, a federal bankruptcy court judge allowed W-P to cancel its union contract and agreed that the steelmaker could impose wage and benefit cuts of $4 an hour. That ruling was upheld Aug. 28 by a federal district court judge in Pittsburgh.

Union members had already agreed to nearly $141 million in concessions and held that W-P's creditors should make similar efforts to save the steelmaker by easing their interest and payment schedule, a move resisted by the lenders. "Steelworkers won't ship money from the Mon and Ohio Valleys to bankers in New York," said Rusen. "The members insist that they be treated as fairly as the banks."

Wheeling-Pittsburgh is seeking a preliminary injunction to block the locked-out workers from filing for unemployment compensation during the dispute. However, top corporate officials have asked the bankruptcy court to protect their own "golden parachutes" and job benefits.

The USWA noted that the continuing labor dispute is putting pressure on Carney, the stockholders and lenders to reach a settlement.

Another W-P rally is planned at the Steubenville, Ohio, plant Aug. 31, followed by a march through Monessen on Sept. 7.

## Soft landing

**While Wheeling-Pittsburgh tries to block unemployment benefits for its locked-out workforce, the steelmaker's top executive officers decided they needed to keep their own "golden parachutes" in place.**

**W-P asked Bankruptcy Judge Warren Bentz to protect the bonuses and pensions of the company's top 12 executives.**

**Chairman Dennis Carney's "golden parachute" could provide about $1 million in severance pay, plus an annual pension of $100,000. Carney would also receive additional stock options if W-P is sold.**

# Detroit AFL accord hikes teacher pay

Teachers in Detroit reached a tentative agreement on a pay package that would provide increases totaling 17 percent over the next two years.

In two other large cities, Philadelphia and Chicago, members of the American Federation of Teachers continued negotiating with school boards in hopes of reaching agreements before classes start next week.

No AFT locals were on strike, and the number of contract disputes was down from previous years.

In Detroit, some 12,000 teachers stand to receive across-the-board salary increases of 10 percent this year, 4 percent in September 1986, and 3 percent in January 1987.

Their agreement also would provide vision care coverage and preparation time for high school teachers. The Detroit AFT local recommended approval of the agreement. Mail ballots will be counted Sept. 6.

### Contract term

In Chicago, the stumbling block is over length of contract. The union, representing 28,000 teachers, wants a two-year contract; the school board one year. The AFT local is asking for a wage increase of 8 to 10 percent.

In Philadelphia, where the AFT is negotiating a new contract for 21,000 teachers, pay is also an issue—but the main dispute centers on teacher preparation time.

The AFT won another breakthrough settlement in Broward County, Fla., the ninth largest school district in the nation, where 8,000 teachers will receive an 11.5 percent increase.

Meanwhile, Auto Workers Local 2300 at Cornell University in Ithaca, N.Y., reached tentative agreement on a three-year contract covering 900 service and maintenance employees.

The agreement, reached Aug. 24, was ratified the next day and ended a two-day strike.

## George Francisco dies, headed Firemen & Oilers

Fairfax, Va.—George J. Francisco, Sr., president emeritus of the Firemen & Oilers, died of cancer Aug. 25 at the Hospice of Northern Virginia. He was 66.

Francisco joined the union in 1937. He held top elected offices in New York Local 520 and served as chairman of IBFO Council 2 in New York.

In 1967, he was elected an IBFO vice president and later served six years as secretary-treasurer before being elected president in 1981. He retired in December 1984. He also served on the boards of the AFL-CIO Metal Trades Dept., Food & Allied Service Trades Dept. and Maritime Trades Dept.

Survivors include his wife Mary, and three children. Funeral services were held Aug. 29 at St. Timothy's Catholic Church in Chantilly, Va. Burial was in Quantico National Cemetery.

# *Schedule of Labor Studies Center courses*

Eleven labor studies programs will be offered by the George Meany Center for Labor Studies during September and October. The schedule:

**Television: The Cool Medium,** Sept. 3-6 and Sept. 30-Oct. 3—Coaching workshop for union officers on facing TV cameras and working with TV reporters.

**Negotiating for Better Health Care,** Sept. 16-19—Collective bargaining institute focusing on health care benefits.

**Organizing Techniques,** Sept. 22-27 and Oct. 20-25—Courses for union organizers covering target selection, in-plant committees, house calls and winning issues.

**Right-to-Know: Make It Work,** Sept. 30-Oct. 1—Two-day workshop for union staff who train local members in using right-to-know laws and monitoring employer compliance.

**Computers for Local Unions,** Oct. 6-10 and Nov. 24-27—Introductory course on computers for unions thinking of buying computers or upgrading existing systems.

**Effective Speaking,** Oct. 6-11—A workshop to coach union leaders on how to select, prepare and deliver the message.

**Discipline & Discharge Arbitration,** Oct. 20-24—An institute to examine standards applied in arbitration hearings on discipline and discharge cases.

**Contract Administration: Life Without Arbitration,** Oct. 27-31—A program to explore speedier and low-cost alternatives to arbitration.

Four AFL-CIO affiliates will use the center in September for their own staff training programs: Railway & Airline Clerks, Sept. 8-13; Service Employees, Sept. 8-13; State, County & Municipal Employees, Sept. 15-20; Communications Workers, Sept. 22-27.

Also scheduled on campus are the AFL-CIO Dept. of Community Services national staff meeting, Sept. 16-18; Dept. of Education conference for union and university labor education directors, Sept. 23-24; Labor Lawyers Coordinating Committee conference on occupational health and safety, Sept. 23, and Industrial Union Dept. seminar on corporate power and coordinated bargaining, Sept. 29-Oct. 2.

The Asian-American Free Labor Institute will bring 13 Japanese trade unionists to the campus Sept. 4-11.

AAFLI country directors will be on campus for their annual meeting Sept. 13-20.

The American Institute for Free Labor Development will graduate 37 trade union leaders from 16 Latin American countries Sept. 20. They've been on campus since Aug. 18 studying political theories and advanced organizing techniques.

More information on these and other labor studies programs is available from Robert Pleasure, executive director, George Meany Center for Labor Studies, 10000 New Hampshire Avenue, Silver Spring, Md. 20903. Tel. 301/431-6400.

## 'Disappointing' report

# Poverty rate drops, income gap widens

A decline of nine-tenths of 1 percent in the nation's poverty rate last year was hailed by the Reagan Administration as good news, but it was "disappointing" to others concerned with the hardships faced by low-income families, who noted the widening gap between the rich and the poor.

The Census Bureau reported that the total number of poor people in the United States was 33.7 million last year, down 1.8 million from the year before. But that meant the number of persons living below the government's poverty threshold—defined as $10,609 a year for a family of four—was still 4.5 million greater than when President Reagan took office.

The report said the share of the population living in poverty declined from 15.3 percent to 14.4 percent last year.

One research and analysis group, the Center on Budget & Policy Priorities, termed the decline "disappointing" because it left the poverty rate "far above" the level prior to the Reagan recession that began in 1981.

The center pointed out that the 1984 poverty rate is nearly three full points over the rate for 1976-77 when unemployment was about the same as now.

In releasing the poverty figures, the Census Bureau also reported that median family income, measured in 1984 dollars, was $26,433, for a real increase of 3.3 percent following a 1.6 percent gain the previous year.

But this left real median family income still well below the $28,029 median recorded in 1979.

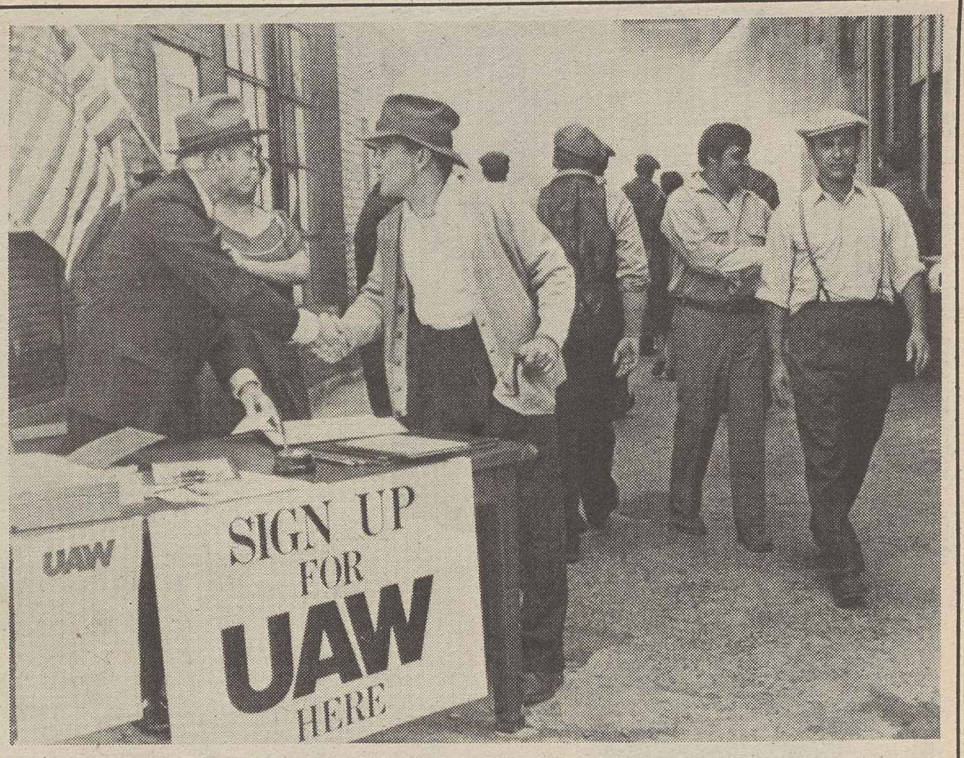
Bob Neuman, a spokesman for the Center on Budget & Policy Priorities, said the Census Bureau report shows the gap between the rich and the poor in the United States "is now wider than at any time since the Census began collecting income distribution data in 1947."

### Record low

Neuman pointed out that the government's statistics show that the poorest two-fifths of American families received only 15.7 percent of total national income in 1984, the lowest ever recorded, while the highest two fifths got 67.3 percent.

The center blamed budget cuts in programs for the poor and the failure to raise the federal minimum wage as key factors in the widening income gap.

The government report also showed that while the poverty rate for all blacks declined from 35.7 percent in 1983 to 33.8 percent last year, the rate for black children under age six was 51.1 percent, the highest rate since the bureau began collecting data for this group in 1970.




TV scene portrays 1939 UAW organizing drive.

# UAW ads mark 50 years

Detroit—The Auto Workers are lighting up their 50th birthday cake with a series of network and cable television ads, fulfilling a 1983 convention mandate to "reach our members and the public" through television.

Backed by the UAW's new song, "Together," the commercials "sum up who we are as unionized workers, our pride in past achievements and our commitment to a bright future for America," UAW President Owen Bieber said.

"We wanted to use the occasion of our 50th birthday to proudly emphasize the fundamental union concept of collective action. UAW members have made enormous contributions to building a better America and we can continue to do so for the future if we stand together," he said.

"Charter Week," which kicks off the year-long celebration that will conclude with the triennial convention in June 1986, runs through Labor Day. UAW regions and local unions are holding picnics, banquets, parties, dances and other activities to mark the event. The UAW was chartered by the AFL Aug. 26, 1935.

UAW Local 664 members and their families in Tarrytown, N.Y., aided in the production of the ads.

The TV spots are being aired on NBC Nightly News, ABC World News Tonight, Cable News Network and NBC Baseball.

# *Statewide organizing drive mapped by Iowa convention*

Waterloo, Iowa—The Iowa AFL-CIO is gearing up for a two-year statewide organizing campaign in an effort to add thousands of unorganized workers to union rolls.

Delegates to the state labor federation's convention underlined the need to establish organizing committees in each affiliated local union to help spur the grass-roots campaign.

The State AFL-CIO, which is allocating $5,000 toward the effort, has some 300 local affiliates with 49,000 members.

The convention also explored the new AFL-CIO report, The Changing Situation of Workers and Their Unions.

AFL-CIO Region I Director James Freeman urged that an extra effort be made to get all local unions affiliated to make the state central body more effective.

AFL-CIO Vice President Joyce D. Miller, president of the Coalition of Labor Union Women and a Clothing & Textile Workers vice president, told the delegates of recent successes in pay equity and of the efforts needed to end discrimination against women, both on and off the job.

Machinists Vice President George Kourpias cited corporate greed and bottom-line mentalities, bolstered by Reagan Administration policies, for the current attack on workers. He noted the ability of companies to cash in on the trade laws by exporting workers' jobs.

### Officers re-elected

President James L. Wengert and Sec.-Treas. Mark L. Smith were re-elected with out opposition. Two new vice presidents elected to office are Mark Flaherty, president of Aluminum Workers Local 105 in Davenport, and Don Winter, vice president of State, County & Municipal Workers Council 61 in Des Moines.

Several convention resolutions reaffirmed the federation's goals of passing legislation that was vetoed by Republican Gov. Terry E. Branstad.

Delegates stressed their support of workers' compensation and unemployment benefits, both of which have been under attack by the governor.

Another resolution called for the enactment of legislation to provide workers free choice of medical care under the workers' compensation program.

Unfair taxes were the focus of several resolutions whose actions included a call for the restoration of corporate taxes in America, an end to loopholes in the state and federal tax codes, and opposition to tuition tax credits and to President Reagan's scheme to tax workers' benefits.

The delegates also backed the federation's efforts to gain fair, progressive taxes in the state through participation in the Iowa Tax Reform Action Coalition.

All state affiliates were urged to encourage their members to watch the twice weekly cable television shows sponsored by labor and produced by the Labor Institute of Public Affairs, the AFL-CIO's television production arm.

Other resolutions called for full worker rights for public employees, affiliation by all local unions and central bodies with the state AFL-CIO, repeal of the state's right-to-work law, and a reduction in the nation's foreign trade deficit.

Delegates were bused to the Crossroads Mall on the second day of the three-day convention to join a dozen members of Food & Commercial Workers Local 46 in picketing G G Management Co., Inc., which fired its union workers after a change of management in the mall. Wengert said the picketing got wide media coverage. The delegates donated $430 from a floor collection to the dozen strikers.

Convention speakers included Frank Emig, director of the AFL-CIO Dept. of Community Services; Norman Hill, president of the A. Philip Randolph Institute; Dick Steffan, president of the Iowa National Farmers Organization; Bob Groghan, president of the Iowa Farmers Union, and Richard Fallow, Iowa AFL-CIO COPE director.

# Railroad Retirement Act also marks 50th birthday

Two weeks after President Franklin D. Roosevelt signed the Social Security Act into law, he signed a companion measure on Aug. 29, 1935, the Railroad Retirement Act, which created a national pension system with a solid foundation for rail workers.

Eleven months later, 18 retired railroad workers became the first beneficiaries of the system.

William Wesley Billett of Bellefonte, Pa., headed that first list of rail pensioners. A car inspector for the Bellefonte Central, Billett retired in May 1936 at the age of 73.

Billett was interviewed by the railroad brotherhoods' newspaper, Labor, and asked how he felt about receiving his check for $63.83.

"Unless one is past 70 and separated from the activities of a lifetime," Billett said. "he cannot begin to understand what it means to be able to look to the future without fear."

The first formal industrial pension plan in America was established in the railroad industry in 1874, and by 1925 more than three-fourths of all U.S. rail workers were covered by pension plans. But few workers actually received benefits, especially after economically troubled railroads cancelled their pension obligations during the Depression.

The railroad unions sought a reliable national plan to ensure that workers on collapsed carriers or those who transferred to other carriers would not have their pension rights destroyed.

### Court challenge

As part of Roosevelt's New Deal legislation, the law creating a national rail pension system was enacted in 1934, but was struck down by the Supreme Court. The 1935 Railroad Retirement Act also was challenged in the courts. While the appeal was pending, the unions and the carriers, at the urging of Roosevelt, resolved their dispute over the issue of carrier taxation for pensions and signed an agreement that led to the Railroad Retirement and Carriers' Taxing Acts of 1937.

Railroad retirement was kept separate from the social security program to preserve the past retirement credits earned by rail workers under individual railroad pension plans. The social security program did not credit past service and was not scheduled to begin monthly benefit payments until the 1940s.

Administered by the Railroad Retirement Board headquartered in Chicago since 1942, the rail retirement system has paid out more than $77 billion in benefits to more than 1.6 million retired rail workers, 800,000 spouses and 2 million survivors.

The board is made up of three members appointed by the President. Traditionally, one member has represented labor and one the carriers, with the impartial chairman representing the public interest.

As a result of laws passed in 1938 and 1946, the board also administers railroad unemployment and sickness benefits.

# Reagan blasted for rejecting ITC proposal for shoe quotas

**Continued from Page 1**

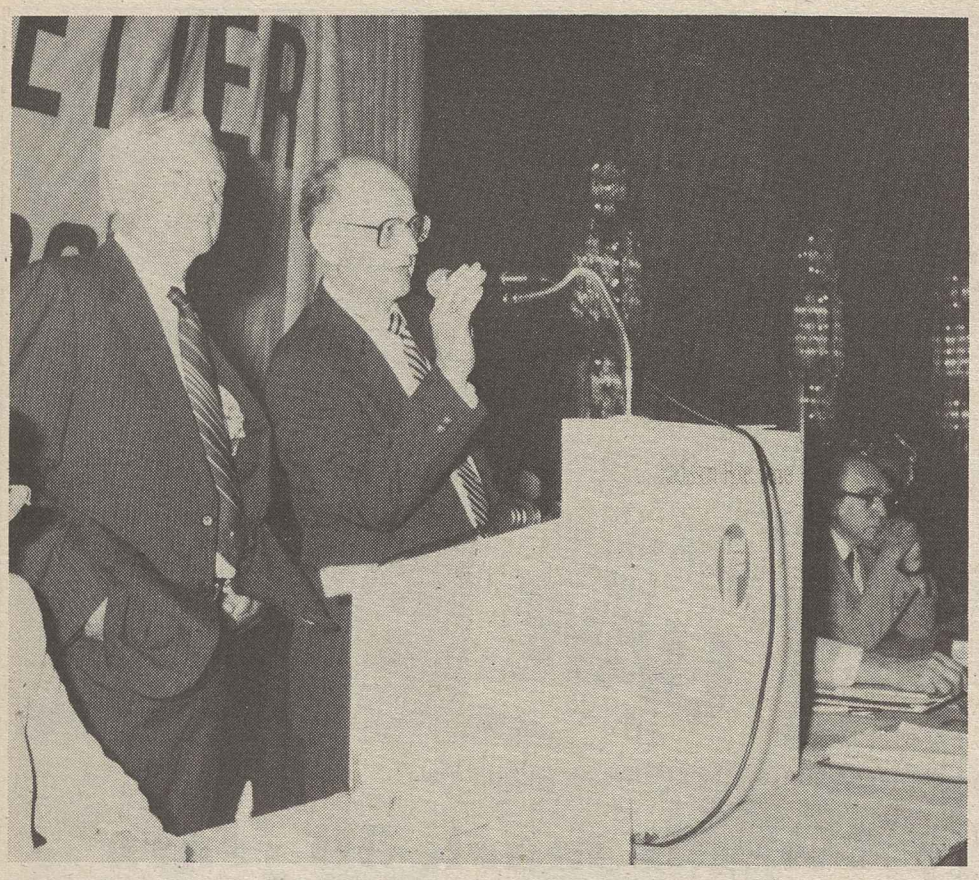
- Sen. John C. Danforth (R-Mo.) charged that Reagan's action "makes a mockery of U.S. trade law," and he pledged to fight to rewrite the law to curb the President's authority to reject the recommendations of the ITC.
- Sen. George Mitchell (D-Me.) said, "This is a total abdication of presidential responsibility. . . . It is an insult to thousands of hard-working shoe workers."
- Sen. Robert Kasten (R-Wis.) warned that "the Administration is trying to pull the plug on small shoe factories all over America, but Congress isn't going to stand by and let it happen."

Labor-backed legislation is pending in the House and Senate that would mandate shoe import quotas at about 55 percent of the domestic market.

George Langstaff, president of the Footwear Industries of America, charged that Reagan's decision is further evidence the President and his "free trade" advisers are trying to circumvent the congressional intent of trade law.

In announcing his decision, Reagan said Labor Dept. funds will be redirected to retrain shoe workers whose jobs are lost.

A Labor Dept. spokesman said the funds would be made available in about 60 days, but that no amount has yet been specified.



OCAW President Misbrener, right, and UPIU President Glenn.

## 2nd convention ballot

# OCAW votes merger with Paperworkers

Denver—The Oil, Chemical & Atomic Workers voted to merge with the Paperworkers as the OCAW convention approved the proposal with the required two-thirds majority on a second ballot.

The 600 delegates cast 70,336 votes Aug. 22 in favor of the merger with UPIU. The first ballot, conducted two days earlier, fell about 1,900 votes short of the 69,857 needed for approval.

"This is truly our finest hour," OCAW President Joseph Misbrener told the delegates following the approval. He had earlier noted that a merger "would create a unified force to attack the problems facing workers. The merged union would be a larger social force and we will be able to build on that combined strength."

The Paperworkers will consider the merger plan at a special, one-day convention Dec. 3 in St. Louis. If UPIU votes approval, the merger will take effect next Jan. 1, and the OCAW, headquartered here, will move to the UPIU building in Nashville, Tenn.

OCAW's 115,000 members would be combined with UPIU's 255,000 to form the United Paper, Energy & Chemical Workers International Union.

UPIU President Wayne E. Glenn addressed the convention between the two votes. His speech, coupled to a question-and-answer session, is credited with improving the merger vote.

### Welcome action

"We are pleased and honored that the OCAW convention delegates have supported the merger proposal," Glenn said after the second vote. "We feel confident that our own delegates will give it their consideration and support in December."

Glenn said that "essentially there won't be any serious changes in the way either union operates" if the merger is approved Dec. 3. "There will be, however, a number of minor changes in the constitutions of both internationals to allow the merger to be effective."

The OCAW delegates re-elected the union's top four officers—President Misbrener, Sec.-Treas. Michael Ricigliano, and Vice Presidents J. Calvin Moore and Robert B. Wages III.

Four new members were elected to two-year terms on the eight-member executive board. They are Lowell 'Pete' Strader of Radford, Va., Charles Thompson of Kansas City, Robert Sell of Manistee, Mich., and James McHale of Frankford, Pa.

Under the proposed merger, Misbrener would become the senior executive vice president, Ricigliano would be executive vice president and Moore and Wages would be vice presidents at-large. Glenn would be the president of the merged union, with UPIU Sec.-Treas. John Defee retaining that post.

### Bylaw changes

The convention action on merger also included changes in the union's constitution.

In his keynote address to the convention, Misbrener called attention to the recent boom in corporate mergers in the United States. "The Reagan Administration has a relaxed attitude toward the takeover craze and all other manifestations of greed in high place," he declared. "This anti-social behavior sooner or later will bring on a backlash—a swing of the political pendulum."

The delegates adopted a comprehensive statement on the need for the nation's leaders to set up policies that will lead to full employment. Among the actions needed, the delegates said, are a reduction in the workweek, elimination of overtime, a boost in the national minimum wage to $4.35 per hour and establishment of trade and industrial policies to retain and promote U.S. jobs.

The convention directed the OCAW officers to fully explore the feasibility of providing comprehensive medical coverage for members on strike. OCAW locals should be able to voluntarily participate in the plan through the international, the resolution said.

# *Workers' real wages drop with cutback in workweek*

The real earnings of American workers fell six-tenths of 1 percent in July and were down 1.9 percent over the year, reflecting a sharp drop in hours worked, the Bureau of Labor Statistics reported.

Workers have suffered a falloff in buying power throughout 1985. Every month this year, real wages have trailed behind the corresponding month of 1984.

July's drop in real, or inflation-free, earnings resulted from a similar decrease in average weekly hours worked in nonfarm businesses, no change in average hourly earnings, and a rise of one-tenth of 1 percent in the Consumer Price Index for Urban Wage Earners & Clerical Workers (CPI-W).

The BLS said the average production or nonsupervisory worker in the private sector grossed an average weekly pay of $299.09 in current dollars. Adjusted for inflation since 1977, however, this amounted to $170.52.

BLS said that real average weekly earnings fell in seven of eight industry categories which it measures over the year. Declines ranged from six-tenths of 1 percent in manufacturing to 3.4 percent in retail trade.

Fuel and utility costs increased eight-tenths of 1 percent in July, as did personal education costs and school supplies.

Of the seven major expenditure groups in the CPI-W index, only the "other goods and services" component rose faster in July than in June.

BLS's other measure of changes in retail prices, the Consumer Price Index for All Urban Consumers (CPI-U), rose two-tenths of 1 percent over the month. CPI-W is used for indexing social security and some other federal payments and as an escalator in collective bargaining agreements.

### Shelter costs up

BLS said that nearly three-fourths of the increase in the July CPI resulted from a jump in shelter costs, which have risen at a 6 percent seasonally adjusted rate so far this year. Housing costs climbed three-tenths of 1 percent last month, matching the increase in June.

Food and beverage prices edged up one-tenth of 1 percent. But fresh vegetable prices, which fell 8.9 percent in the second quarter, soared 6.5 percent in July and more than offset the continued drop in fresh fruit prices—down 4.3 percent last month.

Meanwhile, prices for meats, poultry, fish and eggs fell in July after rising in June, the first monthly increase in 1985.

Medical care costs climbed five-tenths of 1 percent seasonally adjusted last month, the smallest monthly increase since February. Prescription and nonprescription drugs, along with medical supplies and medical care services all rose five-tenths of 1 percent.

Under medical care, physicians' fees rose six-tenths of 1 percent while charges for hospital rooms declined four-tenths of 1 percent. Over the year in July, medical costs were up 6.2 percent.

# ITU membership repels Teamster bid for takeover

**Continued from Page 1**

ahead with plans to try and complete a more appropriate merger."

The issue of merger with the Teamsters was brought to a vote because of the efforts of a previous ITU executive board, headed by former ITU President Joe Bingel.

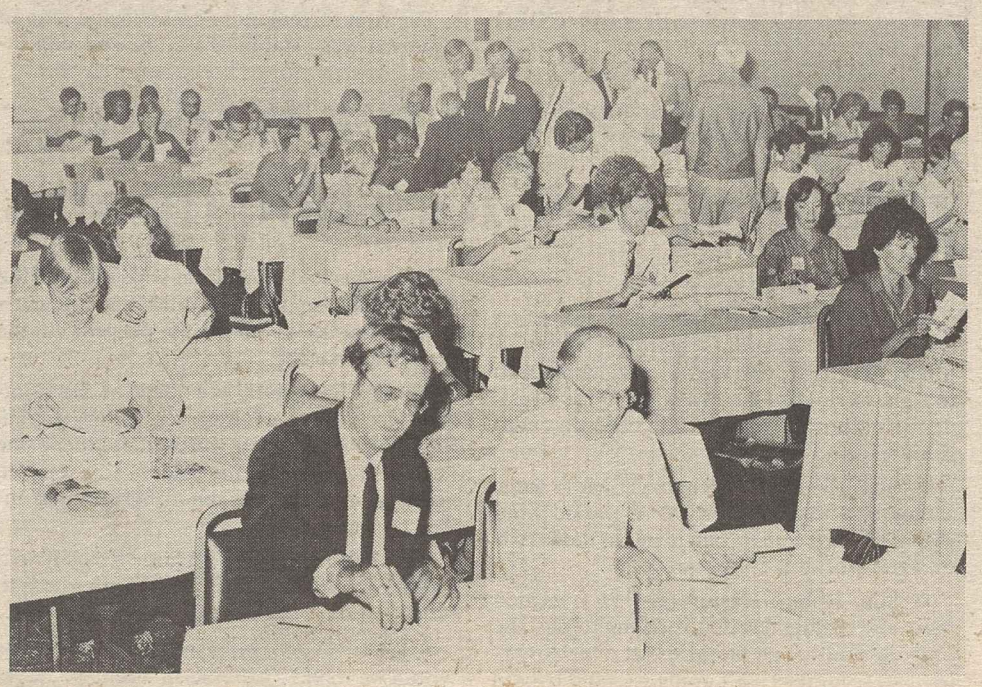
The merger document was drawn up and approved during a period when Bingel held office, even though he had been defeated by McMichen by some 5,000 votes. A second election, conducted by the Labor Dept., confirmed McMichen's election by an even greater margin.

The subsequently elected board was sharply divided with McMichen, Austin and Borman supporting merger with an AFL-CIO affiliate, and Sec.-Treas. Thomas Kopeck and Vice President Allan J. Heritage backing a Teamsters takeover.

McMichen, Austin and Borman expressed their desire to work with Kopeck and Heritage "on a more appropriate merger."

The 200,000-member GCIU earlier this year voted against a merger document that had been quickly drawn up to comply with deadlines established by the ITU convention.

The joint statement added, "We look forward to having more time to devote to the day-to-day business of running this union," citing the strikers at the Chicago Tribune and other members as being in "need every moment of our attention."



Official tellers count ITU referendum ballots.

# Railroad Yardmasters' vote clears affiliation with UTU

**Continued from Page 1**

1987, the joining of the two organizations will take place at a signing ceremony to be held shortly. The target date for the physical move to the UTU headquarters in Cleveland is November.

Under the agreement, the Yardmasters will maintain their craft identity and governing structure, except that the secretary-treasurer post would be abolished and the UTU would administer the dues collections.

Otto said that he and Yardmasters Sec.-Treas. Robert J. Culver will retire in December. Under the affiliation schedule, James L. Roy, now a vice president and general chairman on the Norfolk Southern, will head the UTU Yardmaster Dept. Donald Carver, who is assistant to the president, will continue as the other full-time Yardmaster officer. Otto has served as president since 1970 and Culver has been secretary-treasurer since 1968.

Under the affiliation agreement, local lodges of the Yardmasters would retain their identities unless their members voted to merge with another Yardmaster or UTU local.

A drastic shrinkage of the railroad industry led the two unions into the negotiations that resulted in the affiliation agreement.

Railroad employment has fallen from a high of more than 1.5 million in the 1940s to about 380,000. About 100,000 jobs were lost just in the past 10 years, and the wave of consolidations is not yet over.

Consolidation of railroads calls for consolidation of unions, UTU President Hardin said. He predicted that the affiliation of the Yardmasters will strengthen both organizations.

## Boston Herald local joins Newspaper Guild

Boston—Editorial workers at the Boston Herald, members of a directly chartered AFL-CIO local union, voted 110 to 3 to affiliate with Newspaper Guild Local 32.

The affiliation vote ends nearly 50 years of separate union representation for the paper's editorial and commercial departments. The Guild has represented the advertising, business and circulation workers since 1938.

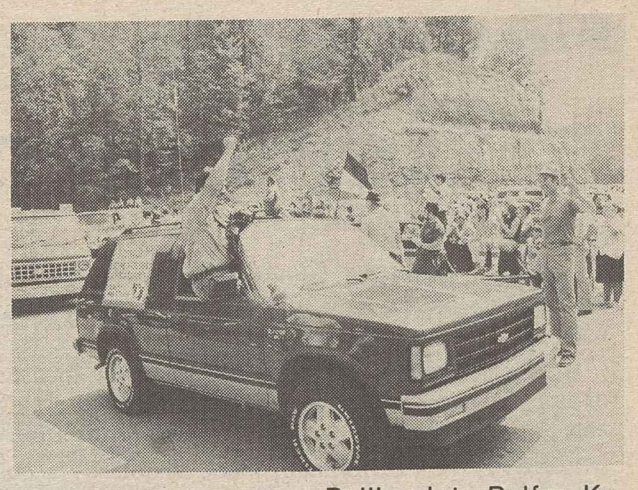
The DALU had been chartered by the AFL in the late 1930s. The secret ballot election was conducted by AFL-CIO representatives.



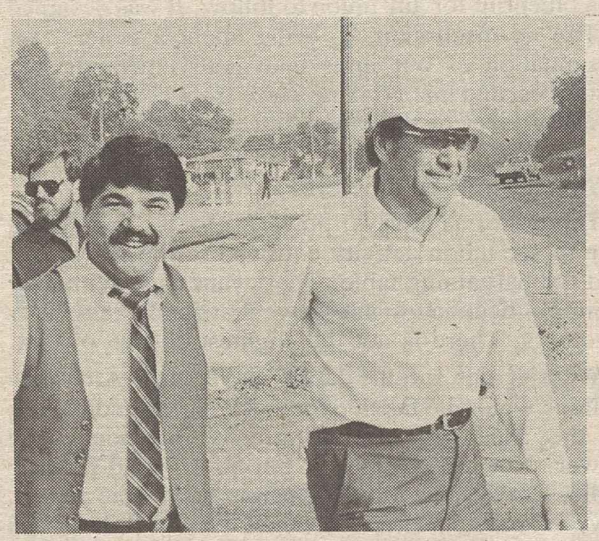

Loading up for the long haul.



UAW 217-vehicle convoy on the road.



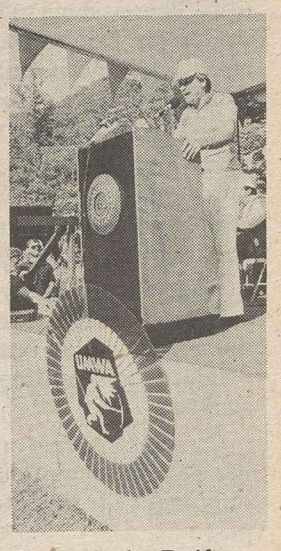
Pulling into Belfry, Ky.



Trumka greets Runnels after 500-mile trek.



Rally draws 6,000 in support of Mine Workers on strike.



Runnels in Belfry.

# *UAW brings Motown aid to Coaltown strikers*

A 217-vehicle caravan of Auto Workers from Detroit traveled 500 miles in 16 hours to bring food, clothing, money and expressions of support to some 1,500 Mine Workers on strike against the A.T. Massey Coal Co.

It was a demonstration of trade union solidarity—a closing of labor's ranks—that harked back to the struggles of the 1930s.

The convoy of pickup trucks and vans that snaked through the coalfields of southern West Virginia and eastern Kentucky, the scene of the bitter, 11-month-old strike, bore signs reading, "Motown to Coaltown—Support and Solidarity." The UAW workers were greeted by loud cheers and hand-made banners as they passed through small coal towns in the nerve center of the strike.

A strike support rally in an open field near Belfry, Ky., drew more than 6,000 miners, Auto Workers and supporters.

President Rich Trumka of the unaffiliated UMW declared, "During the Reagan years, while companies revel in a new-found freedom to trample workers and their communities in the name of profit, I can't tell you how good it feels to witness today the power which can overcome even the mightiest of these corporate giants—the solidarity of working people."

Since Oct. 1, 1984, the UMW has been waging a selective strike at 32 Massey mines and processing plants. The union struck after Massey refused to sign the contract agreed to earlier between the UMW and the industry's Bituminous Coal Operators' Association.

## Company demands

Massey, owned by two multinational conglomerates—the Royal Dutch/Shell Group and the Fluor Corp.—contends that its more than 100 subsidiaries in four states should be allowed to negotiate separate contracts on their own terms. Some of the company's operations are non-union.

Testing a selective strike strategy for the first time, the union said Massey's aim is to bust the contract and ultimately the UMW. For UMW members not employed by Massey, the union says the issue is protection of job security and other rights for miners who work for subsidiaries of large companies which might try to follow Massey's lead.

Trumka, who spent the night with the UAW caravan in the "Camp Motown" field where tents were pitched, recalled that in 1978 a similar union-sponsored caravan had come to the coalfields to support the Mine Workers during their 111-day strike.

"Solidarity among all working people, no matter whether they share the same union affiliation, is critical to sustaining the life blood of the labor movement," Trumka told the gathering.

"This is why Corporate America has worked so hard to try to break our ability to exercise this unity. Just look at how Corporate America has shaped the labor laws to ban secondary boycotts and other job actions by workers in solidarity with other labor struggles," he said.

Underscoring "the power of the solidarity of working people," Trumka said, "Mr. Massey, hear this: 'It ain't over til we say it's over, and it won't be over until we get a fair and decent contract.'"

UAW Regional Director Frank Runnels, who organized the caravan, called the gathering a "history-making" event. "The UMW and the brotherhood of unions will march to victory over the A.T. Massey Coal Co. and all of those companies who think they can return us to the days of yesteryear when we worked in a state of semi-slavery," he said.

## Solidarity's flame

"If they can break a union in southern West Virginia and eastern Kentucky, they can break a union in Detroit. We have to do something to show that the flame of solidarity still burns in the hearts of working men and women."

Runnels, who also helped organize the 1978 caravan said, "This dwarfs what we did in '78. This is much bigger, with more help, more participation on both sides. It's amazing."

In Ripley, W. Va., the caravan was met by members of the State, County & Municipal Employees, Steelworkers and the West Virginia Education Association.

During the rally, the crowd joined in the singing of traditional contemporary labor songs mixed with gospel and folk music. Striking miner Rocky Peck sang two songs he wrote about the strike, soon to be released on a 45 rpm record by the UMW.

Labor educator and songwriter Tom Juravich, whose album "Rising Again" was released by the UAW, led much of the singing.

In addition to thousands of dollars worth of food and clothing, more than $55,000 was collected by the UAW members for the strikers and their families.

Trumka summed up the event when he said "this caravan has nurtured the spirit and resolve of all of us who will continue to wage this strike." **(PAI).**

# Labor Day theme keyed to renewal

**Continued from Page 1**

the rich and heaping new burdens on the working middle class, and wielding the federal labor law "as a blunt instrument" to discourage collective bargaining and deny justice to workers.

"All these abuses will be remedied, and the resurgent labor movement will lead the way," Kirkland predicted.

He cited the federation's recent report on "The Changing Situation of Workers and Their Unions" and its recommendations for changes in structure, strategy and techniques to strengthen and invigorate the institutions of organized labor.

"We have to carry the trade union message to every man and woman who works for a living, find new links and avenues of communication, and involve all of our members more deeply in the trade union mission. . . .

"Our mission is clear, despite the range and complexity and magnitude of the challenges we face, and it has remained unchanged since our founding.

"In 1985, as in 1895, our task is to remain faithful to the working men and women of America, to strengthen this movement which they have created, and to strengthen, nurture and renew the spirit of solidarity which is its heart."

Donahue's Labor Day message also denounced the Reagan Administration for imposing anti-union and anti-worker policies, but pointed out on the positive side that many unions are turning to self-help "with the resourcefulness that has always characterized the American trade union movement."

He cited specifically a Texas Auto Workers local that rebuilt its strength through organizing and wiped out contract takebacks imposed by management, the efforts of unions in airlines and telecommunications to overcome the ill effects of deregulation, the cooperation of building trades unions and 13 employer groups to revitalize their industry and recapture work lost to open-shop contractors, the elimination of two-tier wage schedules at two big aerospace companies, organizing successes in the Beverly nursing home chain, the UAW role in General Motors' Saturn project, and the achievement of union security at General Electric and Westinghouse.

## Message for employers

These "pieces of good news," Donahue said, contain a message for other employers:

"The dream of a 'union-free environment' is dead. . . We know that many employers are still intent on denying, by fair means or foul, the fundamental right of workers to band together in organizations of their own choosing in order to negotiate on equal terms on their own wages and working conditions.

"We know the dimensions of the fights that lie ahead in thousands of workplaces, scores of legislatures and countless elections. But another corner has been turned in the fight we have been waging for the last 104 years."

Labor Day messages from leaders of AFL-CIO constitutional departments focused on some of the challenges facing American workers and their unions.

"We live in the greatest country in the world," said President Robert Georgine of the Building & Construction Trades Dept. "We have enjoyed a standard of living second to none. However, there are forces in this country determined to shove the working men and women backwards, reduce our wages, reduce our benefits, reduce the conditions under which we work, reduce our standard of living.

"Organized labor must slam the brakes on this trend. . . We must close ranks. We must pull together."

President Howard D. Samuel of the Industrial Union Dept. warned of the "new-style invasion" of imported manufactured goods that is overwhelming American industry.

"We must reform our international trade structure," he said, and "in some way we must bring business and labor and government together to devise industrial strategies, or we will find ourselves deindustrialized and impoverished."

Secretary of Labor William E. Brock, in his first Labor Day message as head of the Labor Dept., paid tribute to American workers and their unions for the role they have played in the nation's history. He pledged to work with labor and management to meet the challenges ahead "so that more and more American working men and women can live better and richer lives."

# Alfred Hayes dies, wrote 'Joe Hill' lyrics

Sherman Oaks, Calif.—Alfred Hayes, labor poet and screenwriter, died of meningitis here Aug. 14. He was 74.

In 1938, Hayes wrote "Joe Hill," a poem commemorating the life of a union organizer for the Industrial Workers of the World who was executed in Utah in 1915. Put to music by Earl Robinson, it became one of America's most popular union songs.

Hayes brought Joe Hill to life again in his verse:

I dreamed I saw Joe Hill last night alive as you and me. Says I, "but Joe, your ten years dead." "I never died," says he.

## Kirkland on Labor Day

# 'Resurgence' marks today's unions

**By Lane Kirkland**

On Labor Day 1985, trade unionists are observing their traditional holiday in more than the traditional way.

As always, this is a day when we take the measure of our situation and our resources, assess the gains and losses of the past, and look ahead to the future.

But there is a difference, made visible by a conspicuous departure from another long-standing tradition: There seems to be a comparative shortage of the traditional Labor Day proclamations by journalists, academics and political pundits that unions have no future and that the American labor movement is dead or dying. That is a welcome change.

Our obituary has been written at least once for every one of our 104 years of history, and at least that many causes of death have been diagnosed—gleefully or sorrowfully, depending on the diagnostician.

Over the last five years, despite severe problems—and in good part because of them—we in the labor movement have been aware that a new spirit of solidarity and confidence has been growing within our ranks.

Over the last five or six months, that spirit has forced itself on the attention of observers who were saying only last year that our movement was a thing of the past.

### Resurgence in the ranks

Many employers and professional labor baiters are clinging to that line—no one who has made a career of predicting Armageddon or the Millennium welcomes disappointment—but on Labor Day 1985, most commentators see "resurgence," not decline," as the word for the American trade union movement.

And so do I. Recent meetings with thousands of union members in dozens of communities have convinced me that internally, at least, this movement was never in better shape. Morale is as high as it has ever been in my lifetime.

Externally, we face problems and challenges as severe as any in our history. But we have faced difficult periods before, and we have a long memory.

Coming out of the worst recession since the Great Depression of the 1930s, we find economic policies designed to keep unemployment permanently at recession levels.

We find our country opened wide to floods of imports that are systematically driving American goods from the American marketplace and inflicting injuries from which some of our most essential industries may never recover.

These afflictions stem directly from choices made by the Reagan Administration and blunders committed by corporate managers. To disguise their follies, the Administration and its corporate allies have tried to make American workers their scapegoats and to depress their living standards.

We find an Administration dedicated to emasculating the federal government and to dividing the country, region against region, race against race, and rich against poor. Under the flag of "tax reform," this Administration is attempting to give new benefits to the rich and to heap new burdens on the working middle class.

For five years since this Administration took office, unfair employers who have never given up the dream of total control over the lives of workers have been reasserting their right to rearrange wage levels and redefine working conditions as they alone see fit, and they have had a lot of help.

Many of the laws and instruments of government that were created to prevent the worst excesses of unfair employers have been subverted and placed in the hands of people who have no intention of administering or enforcing them as Congress intended.

The National Labor Relations Board has been packed with radical conservatives who wield the nation's basic labor law as a blunt instrument to frustrate organizing, discourage collective bargaining, and delay and deny justice to workers.

All these abuses will be remedied, and the resurgent labor movement will lead the way.

We know that to succeed we must summon up, from every level of the labor movement, the spirit of solidarity and the sense of common purpose that have been, since the beginning, our only source of strength.

We have to carry the trade union message to every man and woman who works for a living, find new links and avenues of communication, and involve all of our members more deeply in the trade union mission.

One measure of how well that process is underway is the reception that has been given to the AFL-CIO's report on "The Changing Situation of Workers and Their Unions."

That report analyzes the profound changes we face: changes in technology, changes in the makeup of the workforce, changes in production patterns and job patterns, changes in the relationships between workers and employers and governments.

It offers a set of recommendations for changes within the labor movement to match the changes around us.

It proposes structural changes to broaden and strengthen our institutions, changes in organizing techniques, changes in the categories of union membership and in the range of union services.

The report is in no sense a set of marching orders or a blueprint for any union to follow. It was designed to fire up discussion, to bring about a general reexamination of our aims and goals, methods and resources, and that is taking place from coast to coast, at every level of the labor movement.

### Political commitments

There are, as always, powerful forces that would like to see union activity confined to the workplace and the bargaining table. They want us to withdraw from political action and leave that field exclusively to others. There is not the slightest chance of that.

Were it not for the labor movement, American politics would be taken over, lock, stock and barrel, by the "special interests" greedy for money and power. Not just one party, but both would be controlled by the bankers and oil barons and by the admen, lawyers, consultants and lobbyists who serve corporate avarice.

This labor movement is the main line of defense for all the plain people who have no desire to live high on the hog at others' expense, but who want only a decent job that will support a decent family life, enable them to pay off the bills and the mortgage and give the kids a decent start in life.

To help such people to help themselves ought to be the highest priority of any decent society, and that is the kind of society we seek.

Our mission is clear, despite the range and complexity and magnitude of the challenges we face, and it has remained unchanged since our founding.

In 1985, as in 1895, our task is to remain faithful to the working men and women of America, to strengthen this movement which they have created, and to strengthen, nurture and renew the spirit of solidarity which is its heart.

That we are doing. On behalf of the 14 million members of AFL-CIO unions who are engaged in that task, I wish to all of our fellow citizens a happy Labor Day and a brighter future.

## Donahue on Labor Day

# 'Another corner turned' in labor's struggle

**By Thomas R. Donahue**

The good news on this 91st Labor Day is that the American labor movement is once again showing the toughness and resilience, the solidarity and resoluteness, that has been our trademark for a century.

Unions are making headway despite the handicaps imposed on them, and real improvements are being made in the behavior at the bargaining table of at least some major corporations.

The bad news is what hasn't changed since last Labor Day. There has been no change in national economic policies, and that means the budget deficit and the trade deficit are still out of control. Plants are still closing, industrial jobs are still vanishing. The Administration continues to discourage productive investment and to encourage the further concentration of economic power through hostile mergers and takeovers that swallow up billions of dollars in credit to no good or useful end.

The continuing drive to undercut the minimum wage, the renegade attacks on workers' rights on the part of officials sworn to defend those rights and the relentless chipping away at the principle of collective bargaining are the same bad news that we have faced on each Labor Day since President Reagan took office.

But although the NLRB's machinery has become useless to workers, many unions are turning to self-help with the resourcefulness that has always characterized our American trade union movement.

One example comes from an Auto Workers local in Texas which went 15 months without a contract while the company installed a two-tier wage system, imposed one takeback after another and fired 65 union activists on phony charges. All the while, the NLRB, seeing no evil, refused to issue a single unfair labor practice charge.

Union activists didn't mourn, they organized. Through face-to-face missionary work with free riders and new hires, they multiplied union support and increased paid membership by 50 percent. Then they went back to the bargaining table, undid the damage and put labor-management relations back on course.

Let me cite a few other wholesome collective bargaining developments:

In construction, 13 employer groups and AFL-CIO building trades unions are cooperating in a far-reaching program to revitalize their industry and business lost to cutthroat, non-union competitors.

In airlines and telecommunications, two industries victimized by ill-advised "deregulation," workers are striving to rebuild the protections they had in their former, more rational world.

### Concessions abandoned

In aerospace, two major companies have abandoned the two-tier wage concessions wrung from the Machinists three years ago at the low point of the Reagan Recession. "We could see that it could become a problem in the future," one company official said. "There were just too many 'wes' and 'theys' among union employees."

In health care, the steady progress at the giant Beverly nursing home chain bodes well for the arrival of workplace democracy in a sector which sorely needs it. We have no doubts that similar successes will continue in health care and other growth sectors.

In the auto industry, when the president of GM's new Saturn Corporation was asked if the company was building its giant new plant in Tennessee because of the state's compulsory open-shop law, he said this: "It wasn't a factor at all. The Saturn program is for General Motors an opportunity to try new relationships with all our constituents, including the UAW. If we didn't bring the UAW with us to Saturn, it would not be a victory for General Motors."

And more good news came from 1985 bargaining in the electrical industry, when both General Electric and Westinghouse reached an agreement with the 13-union Coordinated Bargaining Committee that provides outstanding economic improvements, a strong job security program, and—for the first time—a union security clause.

Until a few years ago—remember "Boulwarism?"—General Electric was as tough on workers and their unions as any employer in America, and Westinghouse was close behind. Both GE and Westinghouse now agree that it makes sense to display faith in collective bargaining. Their example in constructive labor-management relations ought to lead anti-union employers everywhere to re-examine their principles.

What do these pieces of good news add up to? Simply this, I think, and I invite the Chamber of Commerce, the National Association of Manufacturers or any representative of employers to take note of it:

The dream of a "union-free environment" is dead. Also, the quest for a universal compulsory open shop was dealt substantial setbacks in 1985 state legislative sessions in New Hampshire and Oklahoma.

We know that many employers are still intent on denying, by fair means or foul, the fundamental right of workers to band together in organizations of their own choosing in order to negotiate on equal terms on their own wages and working conditions.

We know the dimensions of the fight that lies ahead in thousands of workplaces, scores of legislatures and countless elections. But another corner has been turned in the fight we have been waging for the last 104 years.

On this Labor Day 1985, we have good reason to look forward to happier Labor Days.

# EDITORIAL

## The Meaning of 'More'

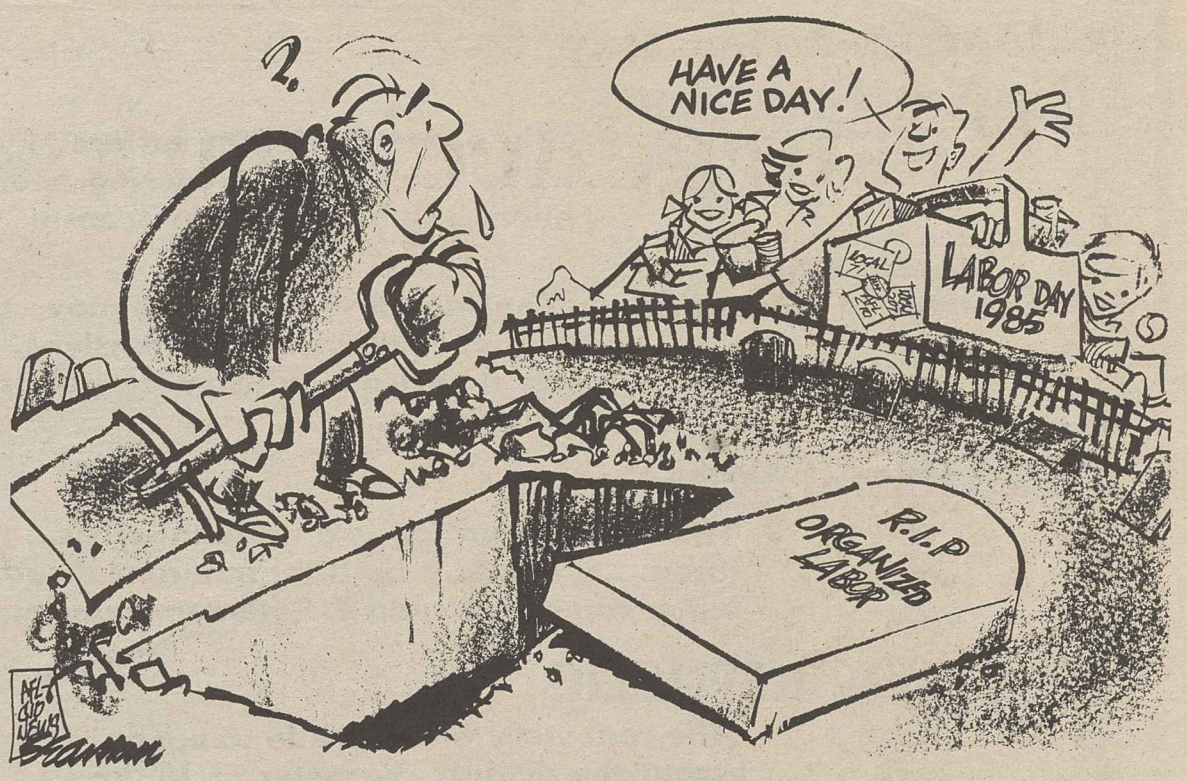
WHAT BETTER occasion than Labor Day to replenish the trade union spirit by recalling the now famous words of Samuel Gompers:

''What does labor want? It wants the earth and the fullness thereof. There is nothing too precious, there is nothing too beautiful, too lofty, too ennobling, unless it is within the scope and comprehension of labor's aspirations and wants.

''We want more school houses and less jails; more books and less arsenals; more learning and less vice; more constant work and less crime; more leisure and less greed; more justice and less revenge; in fact, more of the opportunities to cultivate our better natures . . .''

A handful of critics have torn the word ''more'' out of context to castigate what they call ''business unionism.'' But the ''business'' of unions today—the philosophy and hopes that guide the labor movement—is exactly what it was in Gompers' time. As he put it more than 65 years ago:

Workers ''will never stop in their efforts to obtain a better life for themselves . . . and for all humanity. The object is to obtain complete social justice.''




### Memories of Gdansk strike

# Spirit of Solidarnosc survives repression

**By Murray Seeger**

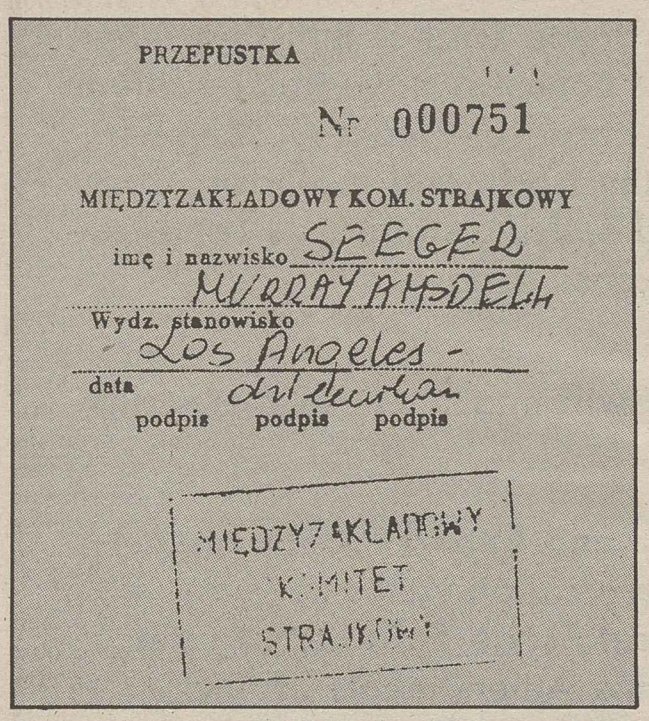
Five years ago this week, tens of thousands of brave, mostly young Polish workers broke the suffocating hold of communist rule over their lovely land for a few, heady months.

Rallying behind a mustachioed electrician blessed with leadership and negotiating skills far beyond his years, the workers brought the Polish economy to a halt. They defied the potential retribution of a massive internal security police force.

The explosive rise of Solidarnosc—Solidarity—brought down a government and forced the ruling communists to negotiate fundamental changes in the way Poland had been ruled for 35 years. The entire East European communist bloc from East Berlin to Moscow was shaken by the Polish events.

Ultimately, Solidarnosc was broken by the imposition of military rule in Poland. But even in their defeat, the workers of Poland achieved a great victory: they proved the communists did not have a public mandate to rule and could only hold power with the guns of the army, encouraged and manipulated by the Soviet Union.

It is difficult in 1985 to recall the incredible atmosphere of Poland in the summer of 1980. Those of us who witnessed it first-hand cherish the memories along with the most precious of experiences, the scattered events that change one's life.


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MIĘDZYZAKŁADOWY KOM. STRAJKOWY

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MIĘDZYZAKŁADOWY KOMITET STRAJKOWY

Press pass issued by Gdansk strike committee.

The scene in Gdansk, ancient Danzig in the German name, was remarkable that August five years ago. The warm, dry air seemed tense and the old seaport was remarkably quiet.

One of the most visible signs of historic events taking place was that all sales of liquor, beer and wine in a city that loves its booze were halted. While the government for decades could not reduce the Poles' love of drink, the workers through word of mouth communications turned the region dry overnight.

Ten years before, when the workers of the same shipyard took to the streets to protest food price boosts, some vodka-heads had attacked the police and burned the Communist Party headquarters. The police then had an excuse to bash heads.

### A lesson learned

Lech Walesa, who was 27 when the 1970 riots took place, remembered the lesson well. When he climbed the brick wall surrounding the huge V.I. Lenin Shipyard in August 1980 to take command of an impromptu strike, he sent out strict orders against selling alcohol.

When western journalists arrived at the shipyard, they found it occupied by the ''Coordinating Strike Committee.'' The closed gates were covered with bouquets of flowers; thousands of men and women stood outside just waiting to see what might come of the momentous events taking place inside.

Next to the gate was a crude wooden cross that had been erected to honor the dead of the 1970 riots, martyrs the city government had tried to forget.

All day long, townspeople came to the gate to bring food and money to support the strikers inside.

The workers were so well organized that they recognized western press documents and issued press passes of their own. We were given free access to the area around the shipyard offices and commissary, where the negotiations with the government were taking place. We were not allowed to visit the shops—the workers wanted no one to accuse them of endangering machinery and equipment.

Under the trees of the yard, some workers sprawled in small groups. Others talked among themselves. They had been sleeping in the yard for days.

Monitors patrolled the yard looking for undercover policemen. They had photos of known spies who had been expelled. Anyone who opened a bottle got the same treatment.

Inside the commissary building, worker delegates from the entire Baltic Coast industrial area sat quietly at long tables, dressed in their best clothing. At the sides, volunteers pounded out statements and resolutions on old typewriters.

The delegates—male and female—had been elected by their co-workers in each plant and shop to take part in the historic meeting. They debated issues and voted openly and freely as if they had been born to democracy and not to single-party totalitarianism.

Other volunteers made sandwiches and coffee. At the front of the room, a tall white party-issue statue of Lenin stared out the window as if he did not want to watch what was happening to his master plan.

The main negotiations were held in another room with Walesa heading a committee of workers and Deputy Prime Minister Mieczyslaw Jagielski speaking for the government.

All during the days of talks, Jagielski in his dark suit and stiff white shirt maintained the formal manner of high-ranking communist officials.

But he was clearly uncomfortable. Accustomed to the secret meetings where the party and government made decisions, Jagielski found these negotiations were being broadcast over loudspeakers to the delegates in the commissary and to everyone in the yard and outside the gates.

The government on Aug. 30, 1980, agreed to the key union bargaining points, and on the next day Solidarnosc agreed to end its strike of two weeks.

Although the agreement signed by the negotiators had made many revolutionary points, the key to the settlement was the guarantee of the right of the workers to form their own trade union federation—Solidarnosc—free of government or Communist Party interference.

### Broken promises

The next six months were filled with tension and confusion. The government soon started reneging on its promises, and the workers reacted by gathering closer to their brilliantly designed red and white union banner.

Ultimately, the government that signed the agreement with Solidarnosc was expelled by the military behind Gen. Wojciech Jaruzelski. Soviet officers who permeated the Polish high command called the signals for the ultimate power play, because Moscow lost confidence in the Polish Communist Party.

A gray miasma has settled over Poland. A selective repression has been imposed, but no one who knows Poland can believe that even the military can hold power indefinitely.

Every objective observer who visits Poland finds that the spirit of Solidarnosc survives and the exciting memories of the sunny summer of 1980 are fresh and vivid.

AFL-CIO news

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## LEGISLATIVE ALERT

**The New York Times**

"The economic decline suffered by the United States and Europe under 'free trade' could be a shattering one."—John M. Culbertson, professor of economics, University of Wisconsin

**Theodore H. White: THE DANGER FROM JAPAN**

"The Japanese are on the move again in one of history's most brilliant commercial offensives, as they go about dismantling American industry."—published in *The New York Times Magazine*

**The Detroit News**

"The trade situation is a national crisis. . . . The auto industry and other manufacturers are hurt by built-in, inherent disadvantages that have nothing to do with wage rates."—Donald E. Petersen, chairman of the board, Ford Motor Company

**THE NEW REPUBLIC**

"The real story of the trade impasse is the U.S. government's failure to accept the distinct character of Japan's . . . managed economy, and to negotiate accordingly."—Robert Kuttner

**U.S.NEWS**

"Democratic Party strategists say they can clobber Reagan and the Republicans for losing jobs to foreign workers, failing to promote sales of American goods abroad and not standing up to unfair competition from overseas."—Washington Whispers

# America's Voices Are Saying: Stop Job-Killing Imports—Pass Trade Laws That Curb Unfair Trade Practices!

America's workers have known for a long time that this nation's trade crisis is inflicting massive losses to jobs, industries and communities. For too long, these concerns have been written off as narrow "protectionism." But now, journalists, academics, corporate leaders, Members of Congress, governors and farmers are expressing alarm over the trade and job crisis. Congressional action now becomes more likely. But to save jobs and U.S. living standards Congress must pass *effective* legislation—not window dressing—and must pass it now.

Write now to your Senators and Representative. Tell them that swift enactment of these bills is necessary to help restore fairness in trade.

H.R. 3035, S. 1449 — The Trade Emergency and Export Promotion Act
H.R. 1950, S. 1356 — The Trade Law Modernization Act
H.R. 1562, S. 680 — The Textile and Apparel Trade Enforcement Act
H.R. 1926 — The Trade Adjustment Assistance Amendments of 1985

Copy this message and send it today to your two Senators and your Representative. →→

Senator _____
United States Senate
Washington, D.C. 20510

Representative _____
U.S. House of Representatives
Washington, D.C. 20515

Dear _____:

I urge you to support trade legislation to curb unfair foreign trade practices and import devastation. Only legislation will save millions of American jobs. Specifically, you are urged to support The Trade Emergency Act (H.R. 3035, S. 1449), The Trade Law Modernization Act (H.R. 1950, S. 1356), The Textile and Apparel Trade Enforcement Act (H.R. 1562, S. 680) and the Trade Adjustment Assistance Amendments of 1985 (H.R. 1926).

Sincerely,

_____

## POST ON BULLETIN BOARD

# *Major corporations pay no taxes despite big profits*

Many of America's most profitable corporations have piled up so many tax credits in the Reagan years that they pay no federal taxes and pocket big refunds of taxes paid in previous years.

That's what Citizens for Tax Justice found in its 1985 update of the tax status of 275 major corporations. The group's research has spotlighted the extent of corporate tax avoidance and given impetus to a labor-supported campaign for fair-share taxation.

These are some of its latest findings:

● Last year, 40 corporations with combined profits of more than $10 billion didn't pay any federal income tax—and 36 of them also received tax refunds.

● Over a four-year period, dating from the start of the Reagan Administration, special tax breaks for business enabled 129 of the 275 corporations to avoid taxes in at least one year of high profits.

During their no-tax years, these corporations earned $66.5 billion in profits. But instead of paying any taxes, they collected a total of $6.5 billion in tax rebates.

● Of the 129 companies, 74 paid no taxes for two of the four years and 26 paid no taxes for three years.

● Nine firms, described in the report as "particularly imaginative and aggressive corporate tax-avoiders," paid no taxes in any of the four years and generally ended up with refunds.

Boeing Co., for example, paid no taxes on profits exceeding $2 billion during this period and collected $285 million in tax refunds.

Others who went tax-free during all four years were ITT, General Dynamics, Transamerica Corp., First Executive Corp., Mitchell Energy & Development Corp., Greyhound Corp., Grumman Corp., and Lockheed. Most on the list are major defense contractors.

Counting profits, taxes and refunds over the entire four years, a total of 50 of the 275 companies received more in rebates than they paid in taxes. Dow Chemical, for example, collected $180 million more in rebates than it paid in taxes.

There was some change from previous reports. Thus, General Electric paid its first taxes in four years in 1984—amounting to $185 million on profits of more than $3 billion. But the effective tax rate of 6.1 per-

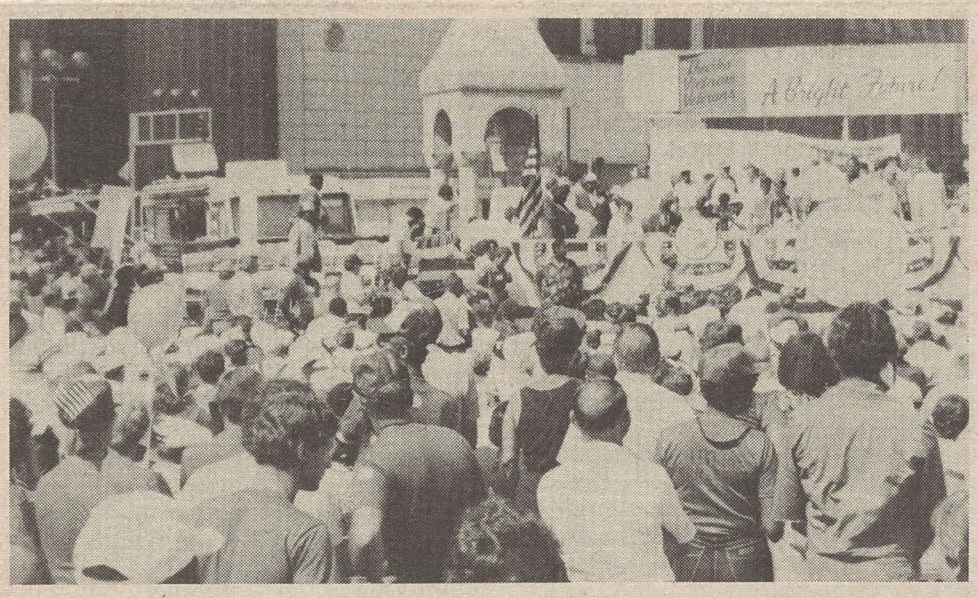
**Continued on Page 2**

AFL-CIO news

VOL. 30, NO. 36
SATURDAY
SEPTEMBER 7, 1985




Banners welcome Lane Kirkland to Los Angeles Labor Day celebration.



Floats, bands and union members at Detroit's Cadillac Square.

# Trade, job deficit posing dire threat to U.S. industries

**By James M. Shevis**

The nation's foreign trade deficit rose by $10.5 billion in July, widening the trade gap for the first seven months of 1985 to a record $81.2 billion.

The seven-month total is 10 percent higher than a year earlier and virtually assures this year's trading deficit with other countries will surpass 1984's record $123.3 billion. Many observers expect the 1985 total to reach $150 billion.

It has been estimated by private and government economists alike that for every $1 billion of trade imbalance 22,500 American jobs are lost. Some domestic industries already have become extinct and others are threatened.

American textile and shoe industries have been hit particularly hard by the torrent of imports from low-wage countries such as Korea, Singapore and Taiwan.

## Presidential inaction

The Commerce Dept. report of the soaring deficit came just two days after President Reagan refused to provide any relief for the import-battered domestic shoe industry.

The Footwear Action coalition—comprising the Footwear Industries of America and two unions, the Clothing & Textile Workers and the Food & Commercial Workers—pointed out that 79 million pairs of shoes entered the United States in July, compared to 77.7 million pairs a month earlier.

Foreign-made footwear now controls 77 percent of the American market, and unemployment in the domestic shoe industry is double the national average.

## Not a trend

The July deficit was the smallest since January's $10.3 billion gap, but analysts were quick to observe it was not an indication of a turnaround in the country's dismal trade performance.

One major reason for the imbalance between imports and exports has been the overvaluation of the American dollar, which makes imports cheaper and more attractive to Americans at the same time it makes it more difficult to sell U.S. manufactured goods abroad.

The narrower merchandise trade gap in July followed three successive months of widening deficits and reflected a 19.3 percent decline in oil imports and a 16.7 percent drop in auto imports.

The drop in oil imports resulted from a decrease in both volume and price, the Commerce Dept. said. The decline in auto shipments came in deliveries from Japan during the car haulers' strike.

Despite July's $2.9 billion decline in imports, $27.9 billion worth of foreign goods poured into the country during the month. Exports were also down slightly, by two-tenths of 1 percent, to $17.4 billion. The export total reflected continued drops in sales of manufactured goods and

**Continued on Page 3**

# Labor Day regains its union label

**By David L. Perlman**

Labor Day across the country was again a workers' holiday with a big union label.

It was a sparkling five-hour parade by a quarter-million union members up Fifth Ave. in New York City and it was a pig roast and volley ball tournament that raised funds for COPE political action programs in Belleville, Ill.

It was the big parade in Chicago that started with a rally of support for striking printers at the Chicago Tribune, and it was veterans of the sitdown strikes of the 1930s riding in triumph as the Auto Workers merged 50th anniversary celebrations with Labor Day events across the country.

## Solidarity Forever

It was the El Paso, Tex., celebration that began with the presentation of the colors by a Marine unit and a bishop's invocation and concluded with the singing of Solidarity Forever. AFL-CIO President Lane Kirkland spoke at that one, and later that day at the big Los Angeles County AFL-CIO picnic at Valley Plaza.

AFL-CIO Sec.-Treas. Thomas R. Donahue and 170,000 other union members marched through Detroit to the traditional Cadillac Square rally. In that four-hour parade were some 200 striking coal miners from West Virginia and Kentucky, accompanied by UMW President Rich Trumka. A couple of weeks earlier, UAW members from Detroit had brought food, clothing and proceeds of plant gate collections in a "Motown to Coaltown" auto caravan. Now on Labor Day, it was "Coaltown to Motown."

President Reagan chose Harry Truman's home town of Independence, Mo., to make a speech about taxes. It was part of a historic celebration, not a union-sponsored event. But there were some union members present, carrying placards. They included shoe workers from nearby plants, including members of both the Clothing & Textile Workers and the Food & Commercial Workers, protesting Reagan's decision to let unrestricted shoe imports wipe out their jobs. And there were members of the Rubber Workers, just hit by news of large-scale, import-related layoffs at a B.F. Goodrich plant.

Labor's message came across in television features, starting with the CBS morning news interviews of UAW President Owen Bieber and Service Employees President John J. Sweeney.

Other union leaders made appearances throughout the day or marched with their members at parades and rallies across the country.

**Continued on Page 3**

# *Pay equity talks not derailed by court's decision*

Olympia, Wash.—Negotiations aimed at closing a sex-based pay gap between state jobs held by men and women will get under way here Sept. 9 as scheduled—despite a federal appellate court ruling that the State, County & Municipal Employees will seek to overturn.

In Washington state, where the court case originated, the legislature has already authorized funds to eliminate salary discrimination and both sides had agreed to seek a bargaining table settlement without awaiting the conclusion of pending court actions.

**Continued on Page 8**

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9/7/85

# No taxes paid by big firms despite profits

**Continued from Page 1**

cent, Citizens for Tax Justice noted, is only about half the federal income tax rate paid by the average American family.

The study found a similar pattern for other major defense contractors. Over the four-year Reagan period of heavy military build-up, the 12 largest defense contractors paid in federal taxes only 6.3 percent of domestic profits totaling $27.7 billion.

The AFL-CIO Public Employee Dept. and many individual unions have joined with the Citizens for Tax Justice and other public interest groups in a grass-roots campaign to restore the corporate income tax as a major source of federal revenue. Corporate taxes have shrunk from more than one-fourth of federal revenues to about 8.5 percent, thus adding to the deficit and shifting the tax burden to working Americans.

### Learned the game

The 1985 tax study noted that some companies still pay over 40 percent of their profits in federal taxes because the loopholes don't apply to them. Two textile firms were in this category. But others that paid larger amounts in previous years have found ways to join the "tax-avoidance game," the report noted. It adds:

"Many of the special tax preferences for particular industries have been on the books for years. But corporate tax avoidance really took off following enactment of the 1981 Reagan tax act. That bill dramatically changed the way that corporations write off—or 'depreciate'—their investments in machines and buildings, and led to a dramatic reduction in the taxes that corporations pay."

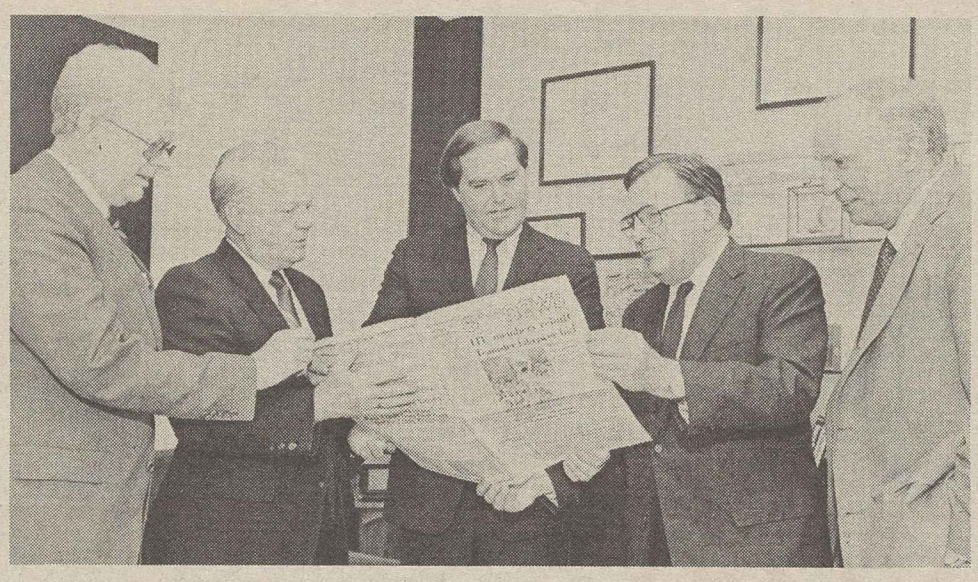
The new tax breaks were defended as an incentive to new capital investment to make American industries more productive. But the reality has been that business investment in plant and equipment increased at less than half the rate of the previous four years, the report found.

## New York protest set for Jaruzelski visit

The AFL-CIO is urging trade unionists in the New York area to demonstrate their support for the outlawed free trade union movement of Poland when that country's ruler comes to the United States later this month.

AFL-CIO President Lane Kirkland issued the call on the fifth anniversary of the Gdansk agreement, when the Polish government acknowledged the role of Solidarnosc as representative of Poland's workers and committed itself to uphold trade union and other democratic rights. But General Jaruzelski quickly moved to crush the solidarity movement, Kirkland noted.

The federation stands with the workers of Poland, Kirkland said, urging New York area trade unionists to join with the Polish-American community and other supporters of a democratic Poland in a Sept. 26 demonstration to show their opposition to Jaruzelski upon his arrival in New York.



## Good news for ITU

Typographical Union leaders, from left, Vice President Billy J. Austin, President Robert S. McMichen and Vice President William J. Boarman join AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue in reading the news that ITU members rebuffed a Teamsters' takeover attempt. McMichen has pledged to continue efforts at merging the 70,000-member ITU with another AFL-CIO affiliate.

# *HRDI conference stresses help for displaced workers*

Hollywood, Fla.—The trade union movement's continuing responsibility to members displaced by plant closings and labor's commitment to help handicapped workers get a foothold in the job market set the agenda for the national staff conference of the AFL-CIO's Human Resources Development Institute.

"Innovation and initiative" must be key elements of labor's employment and training activities in this period of persistently high unemployment, HRDI President Alan Kistler emphasized in opening remarks at the three-day conference.

Kistler and HRDI Executive Director Mike McMillan stressed the exchange of experiences and ideas among the institute's diverse staff as the most important element of the conference. The interchange, in workshops and discussion groups as well as general sessions, involved HRDI's national and regional staff, handicapped placement specialists, and special project workers who carry out programs funded through federal grants to the states under the Job Training Partnership Act.

### Training efforts

There were reports of the large-scale displaced worker assistance program being launched in cooperation with the New York State AFL-CIO and local central bodies, of job-search assistance in high unemployment areas of Texas, of the use of vans in New Mexico to cover a large but sparsely populated state.

Participants learned of interviews with job-seekers carried as public-service television features, of individual initiatives such as the decision by two Houston handicapped placement specialists to take training in sign language for better communication with deaf workers, of resources available through community and trade union groups.

Kistler, who is director of the AFL-CIO Dept. of Organization & Field Services, stressed that the trade union movement's commitment to the workers it has represented continues beyond the job and the union contract.

AFL-CIO Community Services Director Frank Emig sounded a similar theme in urging close coordination of all labor programs to deal with the "man-made disaster of unemployment."

The hurricane then poised off the Gulf Coast, Emig said, is no more devastating than home foreclosures, loss of health insurance coverage, actual hunger, and the mental depression and alcoholism so often a byproduct of job loss.

Other conference speakers from the labor movement included John T. Smith, assistant to Steelworkers President Lynn R. Williams; Merlin Taylor, apprenticeship and training director of the Bricklayers, and Florida State AFL-CIO President Daniel J. Miller. Roberts T. Jones from the Labor Dept.'s Employment & Training Administration also addressed the group.

HRDI officials reported that bipartisan support for HRDI's programs, reflected in the budget resolution adopted by Congress and in rejection of an earlier Administration proposal to rescind previously appropriated funds, appears to have assured continued funding through the next fiscal year. And while the conference was in session, word came of approval of a Job Training & Partnership Act grant to HRDI for a displaced worker program it will administer for the Auto Workers in Kenosha, Wis., to help 1,000 American Motors' workers whose jobs were eliminated.

The program will provide job search assistance and counseling for all the workers affected and offer training in high-demand skills for about 500 workers. It is based on the recommendations of a task force set up by the UAW and the Wisconsin AFL-CIO.



P. L. Siemiller, right, president-emeritus of the Machinists, accepts an award from HRDI President Alan Kistler for his long service as a trustee. Also honored was Stanley Ruttenberg, who headed the government's job training program in its earliest years as Assistant Secretary of Labor.

# Unions assail freezing of federal pay

Federal workers and their unions protested a pay freeze announced by President Reagan and said the elaborate pay-setting mechanism intended to keep government salaries in line with comparable private-sector jobs hasn't worked and should be replaced.

Government Employees President Kenneth Blaylock, whose union represents the largest group of workers affected by the salary freeze, termed the comparability law "a sham."

He urged Congress to "explore alternatives such as full-scope collective bargaining" or adoption of a comparability concept that would take into account both salaries and fringe benefits received by workers.

John Leyden, executive director of the federal/postal division of the AFL-CIO Public Employee Dept., said the law should be changed if it's not going to be followed. As it stands now, he said, the complex pay-setting mechanism is "an exercise infutility."

Comparability standards set by a 1970 law have been regularly disregarded by presidents of both parties, and the last time government workers received their full scheduled raise was in 1977. The gap has widened each year, and federal workers would need a catch-up raise of more than 19 percent to achieve comparability by the government's own standards.

### Pay cut blocked

Reagan's initial budget proposal was for a 5 percent pay cut but Congress balked at this. It adopted instead a budget that assumed salaries would remain at present levels. Reagan's pay freeze was in accord with the congressional budget. Thus, there is no realistic expectation that Congress will reject the President's pay recommendation and let the 19.15 percent comparability increase go into effect.

The freeze does not affect postal employees, whose pay is set through collective bargaining. It will not affect blue-collar workers paid local prevailing wage scales unless Congress passes separate legislation or imposes restrictions on appropriations bills.

## Actors negotiate accord with regional theaters

New York—Actors' Equity reached a tentative settlement with the League of Resident Theatres (LORT) on a new three-year contract covering members who perform in nearly 100 regional theaters.

The agreement, which would cover about 1,000 performers, must be ratified by the union's governing council and membership, and also by the LORT-affiliated theaters. Negotiators for the union and the producers urged approval of the package.

The settlement would replace the old contract that expired on Sept. 1. Details of the accord will be released after the memberships of both sides have been notified, Actors' Equity Executive Sec. Alan Eisenberg said.

# Continue income averaging, Professional Employees ask

Income averaging is an essential element of fair taxation to many working Americans, the AFL-CIO Dept. for Professional Employees stressed in statements to the tax-writing committees of the House and Senate.

DPE Director Jack Golodner, said an Administration "tax-reform" proposal to eliminate income averaging would severely penalize people in occupations subject to significant income fluctuation. Musicians, entertainers, athletes, farmers, writers and artists are among those who may experience relatively high income one year after a long period of low earnings, he noted.

An optional method of tax calculation now allows taxpayers to use an income-averaging system that lessens the disadvantage of a sudden jump in tax bracket. Golodner noted that income-averaging requirements have already been tightened through tax law changes that took effect for 1984 returns, assuring that the provision is not abused.

The Administration's argument that income averaging should be eliminated entirely in the interests of tax simplification doesn't justify the hardship and inequities that would result, Golodner insisted.

The DPE's affiliates, he noted, include performers, athletes and other workers whose employment and earnings change with the health of the economy.

"Even with income averaging, these people pay substantially more in taxes because their incomes fluctuate more than they would otherwise," he testified.

He told the congressional committees that the introduction of income averaging was "a step in the direction of more equitable taxation." And "this improved fairness," he contended, "has been achieved at a very low cost in terms of lost revenue."



Leading off New York's big parade, Service Employees President John J. Sweeney. More than a quarter of a million union members and a host of public officials followed him.




Labor troubadour Laurel Blaydes outside Washington's Shrine of the Sacred Heart helps raise funds for striking Mine Workers.



At Labor Day mass in the Shrine, Vice President Jack Otero of Railway & Airline Clerks calls for social justice.



Marching up New York's Fifth Avenue.



At statue of James Cardinal Gibbons, wreath ceremony is traditional with D.C. unions.

# *Union labels glow from coast to coast for America's Labor Day celebrations*

**Continued from Page 1**

Commercial and public stations broadcast special Labor Day programs. Before and during Labor Day, 93 public television stations serving nearly half the PBS audience carried the half-hour "Singing for the Union" program produced by the Labor Institute of Public Affairs, the AFL-CIO's television unit.

As in the past, unions actively participated in the Jerry Lewis Muscular Dystrophy telethon, raising a record amount in pledges.

The breadth of the union-sponsored events across the country testified that the revival of Labor Day traditions has taken hold, even without the national direction given to recent observances.

## Day of protest

In many communities, Labor Day had lost its union origins and become merely the three-day holiday that drew crowds to beaches and resorts before schools reopened. But with the Reagan Administration battering the nation's economy and the trade union movement, labor's holiday increasingly became a day of protest.

In 1982, the impetus was the centennial of the first Labor Day and more cities than ever before had union-originated events. Chicago, for example, held its first Labor Day parade in 40 years.

An even bigger push came on Labor Day 1983, which the AFL-CIO had designated as Solidarity Day III—coordinated by a task force at federation headquarters and counterparts in state and local central bodies across the country. Union banners were raised at 151 observances, sounding the theme, "Across America, We Will Be Heard."

And Labor Day 1984 marked the traditional start of the presidential campaign—for union-endorsed candidates.

Without these special spurs, would the expanded observances continue?

Overwhelmingly, it turned out, observances launched or revived in recent years have become established as traditions. Picnics and barbecues are still the most popular events, family occasions to bring the kids.

In Wichita, Kan., for example, the Labor Day parade was sponsored by the Carpenters, and concluded with "food, drinks and entertainment" at the Laborers Hall. But there was an added post-parade bonus of a picnic with no charge for "all members of Wichita Typographical Union No. 148, their spouse or friend, and dependent children living at home."

Events beyond the control of the union sponsors—namely the threat of Hurricane Elena to Gulf Coast areas—compelled the cancellation of the Labor Day parade in Mobile, Ala., and another nearby celebration. In Gainesville, Fla., the hurricane threat washed out the picnic planned by Electrical Workers Local 1205. But the food wasn't wasted. It went to the Red Cross.

There were union parades in Augusta, Me., in New Haven, Conn., and in St. Louis, of course. Toledo, Ohio, revived the Labor Day parade tradition in 1983 after a quarter-century lapse and its unions were out in force again this year, each contingent with its own T-shirt and caps.

In Broward County, Fla., the theme of a Labor Day rally was a protest against Administration proposals to tax job benefits and speakers included the local congressman, the president of the county NAACP and the business manager of the Operating Engineers local.

A Miami Herald reporter talked to some of the union members in Broward County for a feature section with a front-page heading of "Our working-class holiday." The story quotes a union electrician who grew up when workers were struggling to achieve economic justice. Now, James Weldon said, "We're trying to keep it."

A local Carpenters official wishes "that everybody would take the time to study a little labor history." If they did, Joe Dolvin said, they would see that the accomplishments of organized labor, including minimum wage and child-labor laws as well as safety protections, also were victories for the public. "Unions bring up the standard of living for everybody," he was quoted.

There was optimism in the radio broadcasts of Kirkland and Donahue, reinforced by their series of regional meetings with rank-and-file union members.

## United movement

"This labor movement is the main champion of all the plain people of America who want only a decent job that will support a good family life, pay the bills and the mortgage, and give their kids a fair start in life," Kirkland said. "In the face of extraordinary changes, problems and issues, this movement is strong in spirit and united."

Donahue acknowledged that "the past year has been a tough one for America's workers," with unemployment high and continued loss of jobs to unfair foreign trade policies. But he welcomed signs that "at least some of America's employers are beginning to see the real benefits of cooperative and productive labor relations—and that's a welcome development."

So it went, with bands sounding "joyous noise" and heroes of labor's battles of yesteryear riding on floats or walking proudly behind their union's banner.

New York's governor and mayor—and candidates for mayor—marched in New York's parade. And John Cardinal O'Connor watching from the steps of St. Patrick's Cathedral, lifted his red skull cap to the paraders and assured them, "You know this hat the Pope gave me has a union label inside."

Then he turned to reporters and said seriously, "It is so easy to be critical of labor and unionism, and to forget what we had before we had organized labor unions."

There were scores of other Labor Day events that deserve notice. But for the spirit of the day, the cardinal's words came as a benediction.

# Soaring trade deficit undercuts more U.S. jobs

**Continued from Page 1**

agricultural commodities, the government said.

President Reagan's refusal to put some retraints on imported shoes has spurred moves in Congress for some overall curbs on imports.

A number of proposals in both houses of Congress have been introduced to restrict the imports.

Sen. Lloyd Bentsen (D-Tex.), who is cosponsoring a labor-backed bill to impose a 25 percent tariff on goods from countries that do not try to reduce their trade surplus with the United States, said he expects Congress to approve some form of import restraints this year.

# Norton assumes top position in Graphic Union

James J. Norton became the acting president of the Graphic Communications Union on Aug. 29, following the retirement of Kenneth J. Brown.

In 1949, Norton joined the Photo Engravers, one of the predecessor unions of the GCIU, and served four terms as president of its Boston local. After 23 years as an international representative, he was elected in 1978 as recording-financial secretary-treasurer of the union, then the Graphic Arts International Union. He later became secretary-treasurer and since 1981 has served as financial-recording secretary of the merged GCIU.

Norton has been an advocate of "one big union" in the printing trades and considers that objective still "very much alive." He participated in the merger talks earlier this year between the GCIU and the Typographical Union.

A special referendum election will be held over the next four months to elect a successor to complete the presidential term that runs through June 1988.

Brown, who served 25 years as president of the GCIU and its predecessor unions, was feted Aug. 29 at a retirement dinner in Washington that was attended by more than 400 labor, political and business leaders and friends.



James J. Norton




CWA and IBEW members demonstrate at Ohio's statehouse.

# *Nationwide rallies protest AT&T move to slash jobs*

Thousands of telephone company workers at nearly two dozen locations across the country staged a day of protest Aug. 29 to draw attention to the jobs loss and erosion of telephone service coming in the wake of the AT&T/Bell System divestiture.

Sponsored by the Communications Workers, the demonstrations—from Los Angeles to New York, Minneapolis to Birmingham—highlighted what the union described as the ''misuse'' of the breakup of the system.

Since divestiture began nearly two years ago, the CWA estimates direct job losses have totaled 40,000 to 50,000.

''Callous and unnecessary'' layoffs have resulted from the company's growing foreign and non-union production of telephone equipment, the union charged.

The protest grew out of the union's last convention. AT&T's announcement a week before the protest that it will eliminate some 24,000 jobs in its information systems group, the company's computer and business equipment arm, intensified resentment. CWA represents more than 16,000 workers facing the new wave of layoffs.

Joining in the local rallies were members of the Electrical Workers, which also represents AT&T workers.

The biggest demonstration was outside AT&T headquarters in New York City, where 1,000 placard-carrying pickets lambasted AT&T management. Other major protests took place in Denver, Philadelphia, Los Angeles, Atlanta, Milwaukee, Birmingham, Ala., and San Antonio, Tex.

In Minnesota, Gov. Rudy Perpich proclaimed Aug. 29 CWA Recognition Day throughout the state. St. Paul Mayor George Lattimer also drew attention to the demonstration in a declaration.

### Rates skyrocket

Many communities have seen local telephone rates skyrocket an average 18 percent since the federal government broke up the Bell System on Jan. 1, 1984.

The rate increases have been followed by job losses and job exportation to low-wage places such as Singapore.

''Layoffs mean less service, not lower costs,'' CWA observed. ''This hurts the local economy. Fewer workers mean fewer people to serve already confused customers.''

As the telephone companies announce layoffs, they are also increasing their contracting-out of work to inexperienced, non-union providers, undermining the quality of service rate payers should receive, the union pointed out.

Some of the union's harshest criticism of AT&T was for the company's export of jobs to other countries.

''Breaking its historic promise of domestic production for national markets, AT&T closed a Louisiana manufacturing line, and moved 1,000 jobs to Singapore where high tech assembler wages are one-eighth of U.S. wages,'' it observed.

''Unless the Administration and Congress act decisively and soon to set a national trade policy, American telecommunications equipment manufacturing will be devastated in much the same manner as autos, color television, machine tools, steel, rubber and chemicals.''

# Pilots ratify plan for $100 million in defense fund

The Air Line Pilots voted in a mail ballot referendum by nearly two to one to create a $100 million ''war chest'' to repel attacks by the deregulated airline industry on the wages and benefits of ALPA members.

The members approved an increase in dues from 1.35 percent to 2.35 percent of income.

ALPA President Henry Duffy said, ''This is a message, in foot-high red letters, to all airlines: We've got the desire, the determination and now the money to protect the professional airline pilot from the onslaughts of deregulation and anti-unionism.''

Duffy said the war chest, which will bring in about $22 million per year, is mainly a defensive deterrent to finance the innovative—but expensive—tactics that ALPA and other unions have developed recently to protect airline workers from predatory managements.

### United strike

The ALPA leader noted that in the recent United Airlines strike, every $1 million spent by the union ended up costing the airline $30-$40 million.

''Any airline that's contemplating a head-to-head battle with ALPA had better take a close look at those figures and the size of our checkbook,'' Duffy said.

The Pilots also voted to continue a separate, additional assessment to fund the strike activities against Continental Airlines.

The union charged that Continental's latest attempt to oust ALPA as the bargaining agent for the carrier's 1,600 pilots is a violation of the Railway Labor Act and ignores a bankruptcy court's order to bargain in good faith.

Continental management released a petition reportedly signed by employees denouncing union representation. ALPA called this another step in a ''carefully orchestrated attempt by Continental to eliminate labor representation for its workers.''

## Wheeling-Pittsburgh lockout

# Jobless pay approved for Ohio Steelworkers

**By Candice Johnson**

The Ohio Bureau of Employment Services ruled that Wheeling-Pittsburgh Steel Corp. workers in the state are eligible for unemployment compensation. In a victory for the Steelworkers, the agency concluded that the company locked out its workforce when it nullified the USWA's collective bargaining agreement during bankruptcy proceedings last July.

The Aug. 30 decision upholds the USWA's stand that the steelmaker is engaged in a lockout and vindicates the workers' decision ''not to work for substandard wages and working conditions,'' said chief union negotiator Paul Rusen.

Roberta Steinbacher, Ohio employment services administrator, said the agency determined that W-P workers were made jobless against their will and that in such cases, state law clearly requires that benefits be paid.

### Pending claims

Some 4,300 USWA members idled at four Ohio plants will receive unemployment benefits ranging from $147 to $233 a week, while the union awaits action on benefit claims in Pennsylvania and West Virginia.

''We hope they make their decisions just as quickly as Ohio did, and that they decide for the workers,'' Rusen said.

He called W-P's attempt to stop payment of unemployment compensation ''mean-spirited'' and another in a series of spiteful actions by the company.

''First, the company tore up our contract, then it canceled medical insurance,'' Rusen said. Next, it failed to make payments to the pension plans, threatening their termination. Finally, it tried to stop the states from processing claims for benefits. These have been five difficult weeks for W-P workers.''

The Ohio announcement followed by one day a decision by U.S. District Judge Glenn E. Mencer denying Wheeling-Pittsburgh's request for an injunction to stop the three states from processing unemployment claims of nearly 8,600 W-P workers, off the job since July 21.

However, in an Aug. 28 ruling, Mencer upheld an earlier federal bankruptcy court decision allowing Wheeling-Pittsburgh to terminate its contract with the USWA.

Mencer found that the company had complied with the key elements of the Bankruptcy Code that require a firm seeking protection from creditors to present a proposal to the union to modify the agreement, supply necessary financial information and meet and confer in good faith to fashion a mutually satisfactory package of concessions.

The union argued that the contract modifications W-P requested were too drastic and not supported by the company's financial standing. The USWA also contended that the company's proposed plan placed a disproportionate burden on the steelworkers rather than a fair and equitable sharing of the financial burdens by all parties.

USWA President Lynn Williams said the federal court ruling would be ''vigorously appealed on an expedited basis.''

Mencer said he hoped the ruling ''will prompt the parties to negotiate without ceasing until a fair accord is reached.'' No talks have been held as the dispute continues in its sixth week.

# TWU airline contract brings gains for 12,000

New York—The Transport Workers ratified a new three-and-a-half year contract with American Airlines covering about 12,000 members, primarily mechanics.

The agreement, approved by a 6,954 to 2,959 vote, provides for three lump-sum payments totaling $2,000 plus a 5 percent across-the-board increase on Mar. 5, 1988. TWU members rejected an earlier contract proposal in May.

Full employer-paid health benefits were maintained for all current employees. Job security provisions from the previous contract were retained and an additional 1,400 members became ''station protected,'' meaning they won't be required to move to another location to work.

A new pension provision will give about 1,900 members an additional one to six years of credits for the years they worked before age 25 which until now had not been counted toward pension benefits.

# Chicago 1-day strike gains new contract for Teachers

The Chicago Teachers Union ended a one-day strike after the city school board agreed to a new two-year pay and benefits package.

The CTU, an affiliate of the Teachers, struck Sept. 3 when marathon talks broke down.

Elsewhere, AFT's Philadelphia local reached an agreement on a new three-year contract and negotiations continued in Pittsburgh, New York, Los Angeles and Boston. In Kansas City, litigation over interpretation of the current contract remained unresolved and in court.

Under terms of the new Chicago contract, which must be ratified by the 28,000 CTU members, a 6-percent pay increase will go into effect this year. A conditional 3-percent increase is slated for next fall.

A ratification referendum will be scheduled in the next 10 days, the union said.

To fund the increased pay, Gov. James R. Thompson used his executive powers to shift $65 million from the 1987 budget to the 1986 budget.

The 3-percent raise next year is conditional on the school board's ability to raise the extra money from the legislature.

The CTU had sought a multi-year pact to give members greater stability. Previous agreements were for one year. The strike had been sanctioned overwhelmingly.

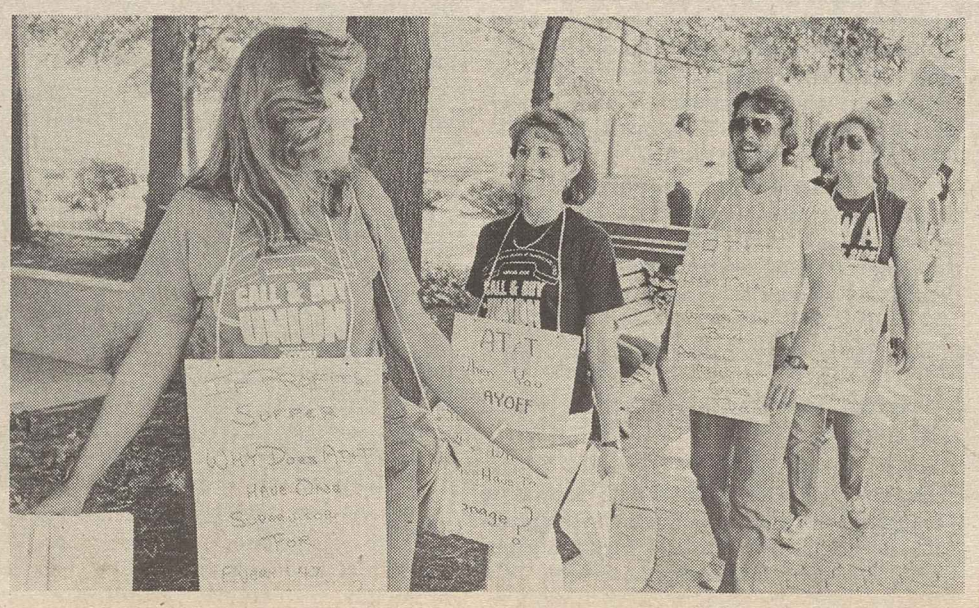
### Salary issue

Salaries are a major issue in many other school system negotiations this year, and there is growing recognition of the need for better pay for teachers.

In New Jersey, the legislature passed a bill making $18,500 the minimum salary for all public school teachers in the state.

The AFT settlement in Philadelphia will give some 19,000 teachers a 4-percent pay increase on Oct. 15 and raises of 6 percent each in March 1987 and March 1988. The agreement also increases health and welfare benefits and extends maternity leaves.

Other teacher strikes by locals of the unaffiliated National Education Association continued in Seattle; Pawtucket and Newport, R.I.; Toronto, Ohio; four Michigan districts, including Pontiac and Flint; several in Pennsylvania and the Wheaton-Warrenville District in Illinois.




In Silver Spring, Md., pickets march at AT&T branch.

# *Federal study hits OSHA for rulemaking delays*

By Arlee C. Green

The Occupational Safety & Health Administration needs to ''establish a credible rulemaking process'' to gain public confidence in the agency's ability to provide protections for workers, the General Accounting Office said in a draft report presented to Labor Sec. William E. Brock.

The report also told the agency to improve its financial management controls.

The GAO, as part of its overall Labor Dept. review, recommended that a special committee be set up to determine how to expedite OSHA's rulemaking process.

It also suggested the agency ''make the public aware that in certain areas, it could be several years before standards are established.''

The report noted the difficulty in protecting workers on the job, and cited union dissatisfaction with the Reagan Administration's ''voluntary and cooperative approach'' to OSHA enforcement.

The GAO noted that OSHA has come under attack for foot-dragging since its creation in 1971 as a number of investigations and reports have focused on the agency's ''slowness in the issuance of regulations.''

The most recent findings, issued last April by the Office of Technology Assessment, pointed out that from 1971 to 1984, OSHA issued just 18 health standards.

## Pressure by unions

The GAO's draft report also noted that ''in some instances, groups representing employees have petitioned the courts to expedite issuance of certain regulations.''

In citing the need for an expedited rulemaking process, the GAO listed the main problems as being ''little public confidence'' in OSHA due to the delay in issuing regulations, ''limited information on the specific causes of delays,'' and corrective actions taken by the agency that have been ''of limited benefit.''

The report pointed out that of 27 OSHA regulations currently in the rulemaking process, 17 have been in the system for more than two years and one has been under agency consideration for more than five years.

The GAO found varying reasons for the delays, foremost among them ''the need to review and analyze voluminous amounts of comments received, often resulting in additional notices of proposed rulemaking.''

Other reasons cited were the complexity of the issues and the turnover of top officials resulting in changes to the proposed regulations or delays until new officials became familiar with the area of concern.

Interference by the White House Office of Management & Budget also was cited as a cause of delay. On 10 of 21 notices of proposed rulemaking by OSHA between January 1983 and December 1984, it took longer than 60 days to obtain OMB clearance. In some instances, clearance took more than five months, the GAO draft report noted.

The complexity of both the administrative process and the issues themselves were also listed as reasons for delays in rulemaking.

The GAO study also found that individual Labor Dept. agencies are designing and implementing new financial management projects with no controls to assure they are consistent with departmental policies or the Comptroller General's principles.

## Accounting fault

It cited the weaknesses in OSHA's system for controlling its accounts receivable and collectable, noting OSHA has had to estimate the amount of money it is collecting from employers in penalties.

In one case, OSHA's national office showed that the Jacksonville, Fla., office was due $63,430 from 79 accounts, when the actual balance was $24,470 due from 29 accounts.

# Emergency panel named in railroad contract dispute

President Reagan named a three-member emergency board to study the contract dispute between the United Transportation Union and the nation's major railroads, preventing a possible strike for up to 60 days.

The UTU would have been free to strike the railroads on Sept. 20 under the terms of the Railway Labor Act.

The three selected are all arbitrators and all headed other presidential emergency boards. They are Harold M. Weston of New York, chairman, and Richard R. Kasher of Philadelphia and Robert E. Peterson of Briar Cliff Manor, N.Y.

Under the Railway Labor Act, the emergency board must file its report within 30 days. The UTU and the National Railway Labor Conference, representing the nation's major railroads, will have another 30 days in which to review the recommendations before resorting to a strike or lockouts. Should the panel's recommendations be rejected, Congress can end the dispute through emergency legislation.

The UTU had been in the 30-day cooling off period following the last three-day bargaining effort which ended with no progress. It had declined the National Mediation Board's proffer of arbitration to resolve the bargaining conflict.

The two sides have been bargaining since early 1984 to replace national agreements that became amendable on June 30, 1984.

The UTU reached a tentative agreement in June covering its 90,000 members, but it was rejected by the firemen, one of eight crafts that make up the union. The proposed contract would have eliminated the firemen's jobs by attrition.

The UTU is the first of 13 national unions bargaining with the NRLC to have exhausted the RLA mediation procedures. Eleven other unions are still in mediation, while the Yardmasters are bargaining without NMB assistance.




Union volunteers in Baton Rouge coordinate Red Cross relief services at IBEW local hall.

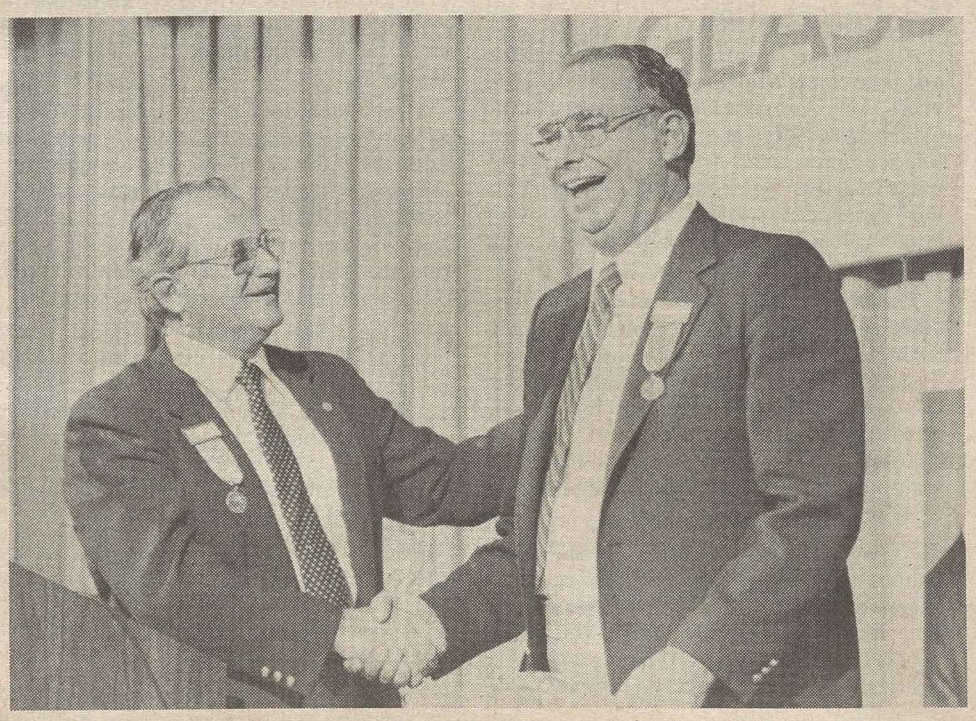
# Glass-Pottery union scores 'free trade' export of jobs

Pittsburgh—Congressional action to protect American jobs from the rising tide of imports emerged as the rallying call of the Glass, Pottery & Plastics Workers' convention here.

The 756 delegates heard GPPW President James E. Hatfield, AFL-CIO President Lane Kirkland and Steelworkers President Lynn Williams underscore the need for a ''fair trade'' policy to replace the ''free trade'' posture which has destroyed the jobs of millions of American workers. The speakers also called for intensified political action to elect congressional representatives who support labor's goals.

Hatfield said, ''We are being badly hurt by imports,'' noting that pottery, ceramics and sanitary ware are pouring into the United States from countries where workers earn pennies an hour.

''This year the trade deficit will top $150 billion,'' he warned. ''We call upon our government to protect American jobs and industries by making the necessary political decisions.''



Exchanging congratulations on their re-election to four-year terms: GPPW President James E. Hatfield and Sec.-Treas. Frank W. Carter.

Hatfield, Sec.-Treas. Frank W. Carter and other top officers were re-elected to new four-year terms. Delegates also bestowed the title of president emeritus on Harry A. Tulley, who headed the union before Hatfield.

Williams characterized the Reagan Administration as an enemy which is doing all it can to create an atmosphere of union-busting in America. He condemned unfair competition from abroad subsidized by foreign governments, and assailed weak and unenforced trade laws. He asked for support for striking Wheeling-Pittsburgh steelworkers who have already given the company $140 million in wage and benefit reductions and are being asked for more.

Kirkland lashed out at the Administration's proposals to tax workers' health plans and other benefits and its refusal to stem the flood of foreign imports.

## No straitjacket

Calling for continued political action by labor, he said, ''The trade union movement does not intend to let anyone, Republicans or so-called new-style Democrats, confine us in a political straitjacket. To those of either party who want to drive us from the political arena, we say, 'Hell no, we won't go.' ''

Sec.-Treas. John Mara of the AFL-CIO Union Label & Service Trades Dept. noted that one reason imports can flood U.S. markets is the pitiful level of wages paid girls age 12 through 14 in places like Thailand, working in sweatshops from dawn to dusk for as little $3 a week, less than 10 cents per hour. He urged, ''Tell your friends the purchase of imports not only eliminates jobs in America, but also eliminates childhood for youngsters overseas.''

Other convention speakers included Rep. Bob Edgar (D-Pa.), who was endorsed by the union's executive board for Pennsylvania's U.S. Senate seat; Pittsburgh Mayor Richard S. Caliguiri; Sec.-Treas. Shirley G.E. Carr of the Canadian Labor Congress; COPE Director John Perkins; Bob Rae, head of the Canadian New Democratic Party; President Bernard Butsavage of the Molders; President Robert Harbrant of the Food & Allied Service Trades Dept., and Harry Tully, GPPW past president.

# Union halls used as command posts in Gulf hurricane

Union halls along the Gulf Coast were filled with volunteers ready for Hurricane Elena, as AFL-CIO Community Services representatives and Red Cross teams operated shelters and provided meals, clothing and other assistance for residents waiting out the storm.

Fifteen local union halls became Red Cross command centers, buildings specially equipped with communications and electrical systems as part of the Coastline Disaster Project.

The Lousiana AFL-CIO headquarters building served as an unofficial relief center for 20 people needing shelter during the worst of the storm.

The Red Cross set up a disaster command headquarters in Gainesville, Fla., at the Electrical Workers Local 1205, to help the hundreds of thousands of Florida residents ordered to evacuate the panhandle area. Relief centers also operated out of union halls in Mobile, Ala.; Baton Rouge and Lafayette, La., and Pascagoula and Gulfport, Miss.

Only four deaths were attributed to the storm because Gulf Coast residents heeded evacuation warnings, said state and local officials. More than 1.7 million people were evacuated over the four-state area.

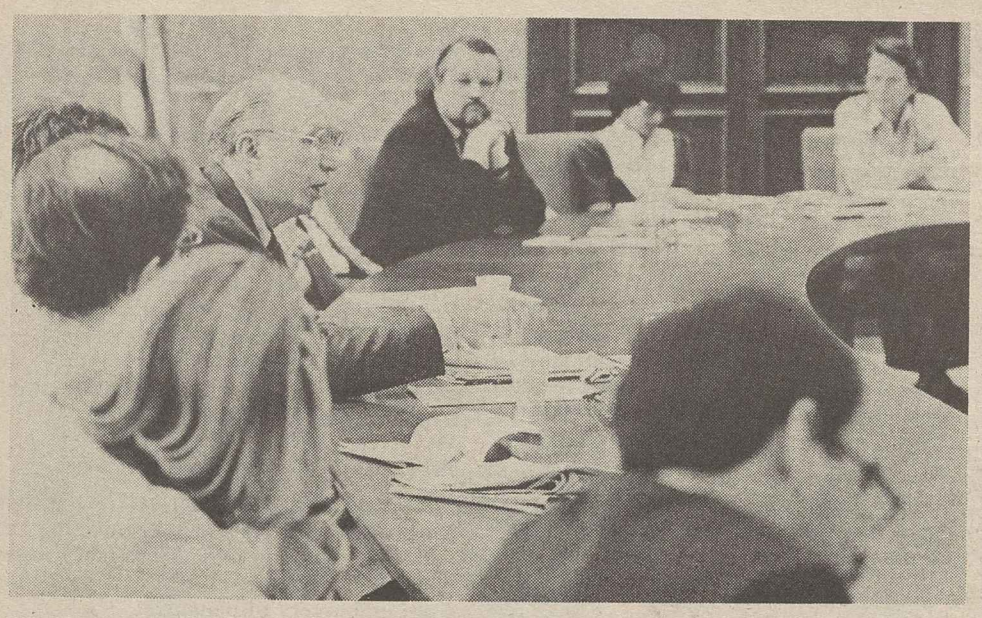
Many residents had refused to leave their homes in 1969 when Hurricane Camille hit the Louisiana and Mississippi coast and left 256 people dead.

## Heavy damage

Early Red Cross estimates show 17,000 dwellings damaged or destroyed by the storm across the four-state area. Total storm damage may exceed $2 billion as tornadoes spawned by Hurricane Elena ripped through factories and businesses along the Alabama and Mississippi coast.

Some 4,000 volunteers and Red Cross staff workers joined in the relief effort, working around the clock since Aug. 29 when storm warnings were issued.

Unions participating in the Coastline Disaster Project included the Electrical Workers, Communications Workers, Boilermakers, Plumbers & Pipefitters, Carpenters and Clothing & Textile Workers.



## Bon voyage briefing

State Dept. personnel, heading for new posts as labor attaches and other foreign service assignments at U.S. embassies abroad, get a rundown from AFL-CIO Sec.-Treas. Thomas R. Donahue on the federation's outlook on international issues.

# *Outlook remains bleak for nation's economy*

Private and government reports pointed to a continuing sluggishness in the economy as unemployment remained high and new factory orders declined.

The Commerce Dept. said its index of leading economic indicators—a sort of barometer of future economic activity—rose by four-tenths of 1 percent in July after climbing a revised four-tenths of 1 percent the month before.

The June revision represented considerable downward movement from the 1 percent increase originally reported.

In a separate report, the agency said orders to factories fell 1.3 percent in July, the biggest drop in 10 months. The government said the decline came primarily from a 14 percent plunge in military orders.

However, orders in the key category of nondefense capital goods also were down 5.4 percent over the month.

The ongoing slump also showed up in a nationwide survey of purchasing managers which formed only a slight increase in production and a significant decline in employment.

The National Association of Purchasing Management said new orders—the source of future production—were virtually about unchanged last month. The report, based on a survey of purchasing managers at 250 major companies representing 21 industries.

In the government's index of leading economic indicators, six of the 11 components available for July contributed to the slight increase. The largest positive contribution was the money supply expressed in constant dollars.

One bright note was sounded in a report by F.W. Dodge that showed new construction contracts up 16 percent in July after declining 12 percent in June.

# Statistics and politics an explosive mix

**The First Hundred Years of the Bureau of Labor Statistics**

*By Joseph P. Goldberg and William T. Moye, U.S. Government Printing Office, Washington, D.C. 330 pages. $15 hardbound, $10.50 softbound.*

**By Markley Roberts**

American workers and the unions that represent them have a big stake in good, timely, reliable, accurate labor statistics. There's big money—and basic human welfare—riding on these numbers. So it's no wonder that labor statistics stir up political passions and controversy.

For collective bargaining, labor union officials need solid information on price changes that affect the cost of living, wages and hours that affect workers' earnings and family buying power, protection for workers in times of sickness and retirement and job loss, labor-management relations, and many other issues.

Statistics on employment and unemployment, poverty, technology and productivity, occupational employment developments and projections, foreign trade, and job-related safety and health are vital information for workers and their unions in collective bargaining—and also for determining what kind of public policies are necessary to advance the welfare of workers and their families.

And, of course, labor statistics are important economic indicators for policy-makers.

## Union support for BLS

The source of almost all basic labor statistics is the Bureau of Labor Statistics, a semi-autonomous agency now within the U.S. Dept. of Labor. But BLS was in existence long before the Dept. of Labor came into being in 1913.

"The First Hundred Years of the Bureau of Labor Statistics," by BLS historians Joseph P. Goldberg and William T. Moye, is an institutional history written from within the institution. It is also, surprisingly, a fascinating piece of social history. And it tells a lot about how we know what we know about labor and economic and social conditions.

If you are interested in labor history, in labor statistics, in the politics and personalities and passions that swirl around "dry as dust" numbers that affect the welfare of working men and women and their families, you will find this book richly rewarding.

Here are a few items from the Goldberg-Moye history:

Basic union support for BLS existed from the start. In 1881, at the first convention of the Federation of Organized Trades & Labor Unions, later to become the American Federation of Labor, the federation called for a national Bureau of Labor Statistics. AFL President Samuel Gompers told Congress of the urgent need for sound information on conditions facing workers and their families.

In 1884, Congress voted to set up a new Bureau of Labor "to collect information upon the subject of labor, its relation to capital, the hours of labor, and the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity."

This social uplift purpose reflected an altruistic reaction to prevailing "law of the jungle" doctrines of Social Darwinism. Labor union observers often think now that the social uplift mission has been weakened by increasing BLS emphasis on labor statistics for economic policy-makers rather than for social legislation and for collective bargaining.

## First commissioner

For the first four-year term set by law for the Commissioner of Labor Statistics, President Chester Arthur appointed Carroll Wright, who had already served 12 years as chief of the Massachusetts Bureau of Statistics of Labor.

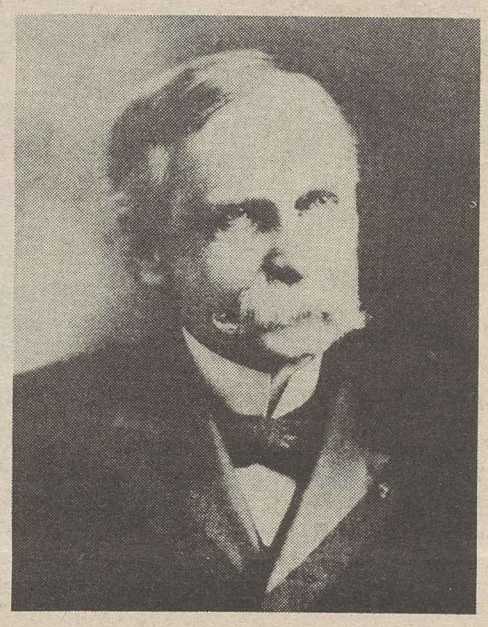
Wright pioneered in application of quantitative methods for studying social and economic problems. His impartiality and professionalism included support for union organization and collective action. He enlisted help from scholars outside BLS like John R. Commons of the University of Wisconsin and W.E.B. Du Bois, who wrote articles for BLS on conditions of black workers.

President Theodore Roosevelt used BLS to push reform efforts of the Progressive movement. In 1908 he declared:

"Already our Bureau of Labor (Statistics), for the past 20 years of necessity largely a statistical bureau, is practically a Dept. of Sociology, aiming not only to secure exact information about industrial conditions but to discover remedies for evils."

Ethelbert Stewart was the first—and so far only—BLS commissioner with a "labor" background.

While working in a coffin factory in the early 1880s, he joined a workingmen's club in Decatur, Ill. In 1885, he ran for city clerk on a workingmen's ticket and served as an officer of the Illinois State Trades & Labor Convention. The coffin company blacklisted him for his union activity.



Carroll D. Wright

The governor appointed Stewart as head of the Illinois Bureau of Labor Statistics, where he served from 1885 through 1893. During this time Stewart joined the Knights of Labor and edited the Decatur Labor Bulletin and other labor newspapers.

Stewart was first appointed BLS commissioner by President Woodrow Wilson, then re-appointed by Presidents Harding, Coolidge, and Hoover. In a time when business interests were dominating, he kept BLS independent and objective, opposing use of BLS reports for political purposes.

This was his undoing in the end. In 1932, Stewart was retired against his will after he disagreed with the bright, optimistic, cheerful view of the unemployment situation taken by President Hoover's Secretary of Labor.

## Another conflict

A similar conflict in interpreting unemployment statistics took place some 40 years later. Assistant Commissioner Harold Goldstein declared at a 1971 BLS press conference that a small drop in the unemployment rate was "marginally significant" at the same time that President Nixon's Secretary of Labor was calling the decline of "great significance."

The Nixon Administration then decided there would be no more monthly BLS conferences on the unemployment situation. This produced charges of politicization of labor statistics, investigations by various professional organizations, and monthly hearings on the unemployment situation by members of the Joint Economic Committee of Congress.

Union criticism of BLS started early. Unions were angered by a 1904 report that wages had gone up more than food prices. The Machinists, Meatcutters, and Mine Workers' unions charged the report was politically motivated and methodologically unsound.

World War I forced the issue of adjusting wages for the rising cost of living to maintain workers' buying power and thus to prevent strikes that would interfere with the war effort. Cost-of-living changes based on BLS price surveys were used to set shipyard wages in World War I as a result of a government agreement with the AFL Metal Trades Dept. And the tripartite War Labor Board used prevailing wages and cost-of-living conditions in fixing wages.

But the first comprehensive cost-of-living indexes for the nation and for major industrial and shipbuilding centers—based on spending—did not appear until after the war in 1919.

World War II brought rising prices and higher cost of living for American workers and their families. The Little Steel wage stabilization formula allowed a 15 percent general wage increase from January 1941 to June 1943—but the BLS cost-of-living index went up 24 pecent during this period. Labor members of the War Labor Board declared even the 24 percent understated the true increase in the cost of living.

In June 1944, George Meany, then AFL secretary-treasurer and a member of the War Labor Board, charged that the nation's anti-inflation program was ineffective and that BLS was holding down the cost-of-living index to conceal inflation and hold down workers' wages:

## A fettered agency?

"We are led to the inescapable conclusion that the Bureau has become identified with an effort to freeze wages, to the extent it is no longer a free agency of statistical research."

Soon thereafter, BLS admitted that "the index does not show the full wartime effect on the cost of living of such factors as lowered quality, disappearance of low-priced goods, and forced changes in housing and eating away from home. It does not measure changes in total 'living costs'—that is, in the total amount families spend for living."

In 1911—after a two-year study and 19 volumes of reports on working women and child labor—BLS issued the first standard family budgets.

How much does it cost a family to exist at a "fair standard of living" with some allowance for comfort? How much for a minimum standard of living with only bare essentials? It turned out that cotton mill families were often spending less for food than the federal prison in Atlanta was spending on food for one of its prisoners.

In the 1960s and 1970s, BLS family budgets were written into many state and federal laws on unemployment insurance, public welfare, social security, and employment and training programs. Unfortunately, against protests from union officials, BLS stopped producing these family budgets in 1981.

The last 20 years of BLS history get shorter treatment by Goldberg and Moye, probably because passions and politics still swirl around the issues and the people involved.

Labor history and social history get a new perspective in this history of the Bureau of Labor Statistics. Try it. You'll like it. And you'll learn a lot about labor statistics.

*Markley Roberts is an AFL-CIO economist and chairman of the Labor Research Advisory Council of the Bureau of Labor Statistics.*

## 10 commissioners

**There have been 10 Commissioners of Labor Statistics in the 100-year history of the Bureau of Labor Statistics:**

| | |
|---|---|
| **Carroll Wright** | **1885-1904** |
| **Charles Neill** | **1905-1913** |
| **Royal Meeker** | **1913-1920** |
| **Ethelbert Stewart** | **1920-1932** |
| **Isador Lubin** | **1933-1946** |
| **Ewan Clague** | **1946-1965** |
| **Arthur Ross** | **1965-1968** |
| **Geoffrey Moore** | **1969-1973** |
| **Julius Shiskin** | **1973-1978** |
| **Janet Norwood** | **1979-** |

**Two Commissioners—Ethelbert Stewart and Janet Norwood—were government career civil servants who were promoted from within BLS.**

# EDITORIALS

## Paycheck Equity

THE UNFAVORABLE ruling of a federal court of appeals in a union-initiated pay equity case does not diminish by one whit the labor movement's commitment to the principle that a worker's sex should not determine the pay level of a job. Neither of course should race, color, religion, national origin or any other irrelevancy that has sometimes been factored into the wage scale.

Labor's position was staked out clearly at the last AFL-CIO convention in a resolution calling on affiliates "to work to attain pay equity through collective bargaining agreements that upgrade undervalued job classifications." But if an employer's bargaining policy makes it necessary, the convention said, the case for pay equity should be pursued through administrative and judicial channels.

THAT, OF COURSE, is what the State, County & Municipal Employees was doing and is doing in support of its members employed by the State of Washington. The dispute began at the bargaining table. And under an agreement reached several weeks before the appeals court decision was handed down, the parties agreed to return the issue to the bargaining table.

Other unions have been equally diligent in pursuing the goal of pay equity, in both the public and private sectors.

Job upgrading agreements have become increasingly common, taking important first steps—sometimes giant steps—towards a sex-blind job evaluation. And in no case has a union's efforts led to the downgrading of any job. That's the bugaboo that some employers have tried to use to divide their workers on the issue.

The opinion in the Washington state case, by one of 12 federal circuit courts of appeal, may or may not stand up under review or be adopted by other courts in similar cases. But the moral principle that pay inequities based on sex are wrong and should be remedied has already been adopted by the labor movement.

It is being affirmed every day at the bargaining table.

## Touching Bottom

DON'T LOOK to your government for redress if a torrent of imports destroys your job and forces your employer out of business. That's the back-of-the-hand Labor Day message that President Reagan gave to America's shoe workers when he turned down the recommendations of the International Trade Commission for a temporary ceiling on imports.

The President did not dispute the unanimous findings of his trade commissioners that the domestic shoe industry has been devastated.

There never has been any question about the facts. Imports have forced the closing of 500 U.S. shoe factories, 100 of them just in the last year. Some 120,000 jobs have been eliminated.

Under the 1974 Trade Act, President Reagan has the power to take remedial action on a finding of import-caused injury to an industry.

But as the President and his advisers see it, that would be "protectionism" and an affront to the values of the marketplace. So the law remains on the books, but this President won't use it.

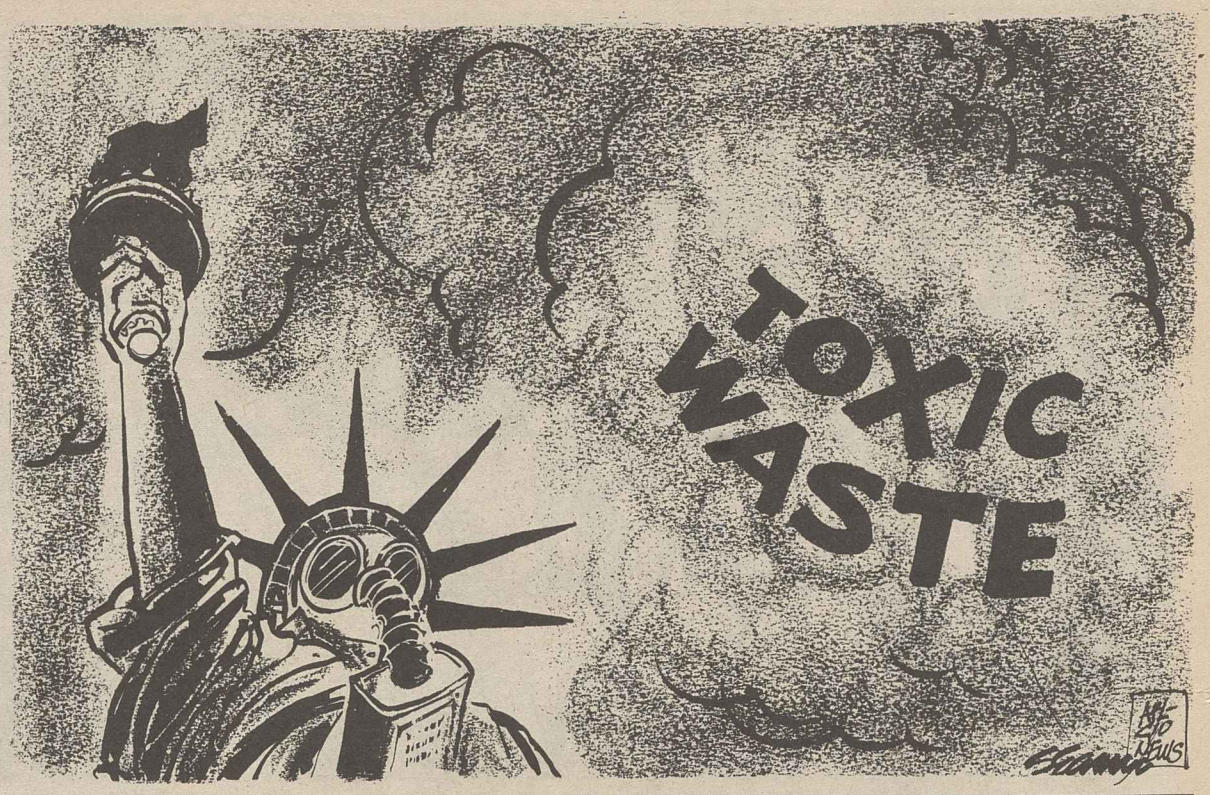
The President's trade representative, Clayton Yuetter, demonstrated the Administration's callousness during an interview by Judy Woodruff over public television.

It's too bad, he reflected, that the people involved can't look at the situation "objectively and a little less emotionally."

JOB-LOSERS will just have to find work in some field where the United States "can compete," he suggested. Of course, "some people are not going to want to move from Maine to the Silicon Valley to get a job in high technology." And in those cases, Mr. Yuetter acknowledged, "there's going to be some travail."

Has the President's trade representative been to California's Silicon Valley lately? Does he know that high-tech companies that were supposed to provide jobs for the future are moving their production overseas?

President Reagan's inaction on shoe quotas makes clear the futility of giving this Administration powers that it has no intention of using. Let Congress act, or take the responsibility for continued inaction. The buck stops at Capitol Hill.




### Washington Window

# Millions of unemployed get no jobless benefits

**By Press Associates, Inc.**

The Social Security Act is being praised on its 50th anniversary as probably the legislative achievement of the century.

During this commemoration period, many Americans are gaining an appreciation of how creative the federal government can be in helping people meet, in FDR's words, "the major hazards and vicissitudes of life."

Many are now aware of how social security replaced the county poorhouse, enabling the elderly to retire in dignity and relieving their children of an economic burden. The 1939 amendments turned social security into a "family protection plan" by extending benefits to wives, widows and children. Later improvements included disability insurance in 1956 and Medicare in 1965.

The younger generation can be reassured by the 1983 amendments which put social security financing on a sound basis for decades to come.

Yet there is one program that has failed and that is the unemployment insurance system. It failed because of basic flaws in the way it was set up and because employers and political conservatives have effectively sabotaged the program.

### Need for help

When Franklin D. Roosevelt's Committee on Economic Security looked at the mass unemployment and suffering of the Great Depression, it decided the most urgent need was to get help to the many millions of unemployed.

From among several approaches, a federal-state system of unemployment compensation was devised based on the Wisconsin Plan. It was the only state with a program, and it used an "experience rating" formula under which an employer's tax was low if he maintained a stable workforce and it rose if he had high worker turnover. This assumed, erroneously as it turned out, that the employer had some control over the market conditions.

Building a state role into the program also was felt to be necessary to get it past states' rights conservatives in Congress and have it upheld by a conservative Supreme Court.

When the legislation was before Congress, the National Association of Manufacturers expressed alarm that it would bring "ultimate socialistic control of life and industry."

### Opposition by business

For nearly 50 years now, organized business has fought at the state and federal levels against almost every improvement in the program. Employers have become expert at challenging benefit claims and defeating worker appeals. Business lobbyists in state legislatures work to keep eligibility tight and benefit level and duration down.

Organized labor has fought for many years for national standards on the duration and level of benefits. During the worst recessions, Congress has gone along with federal extended benefits, but these are now phased out.

This summer, the percentage of jobless workers receiving unemployment benefits fell to an all-time low of 26.9 percent. In June, of 8.8 million officially unemployed, only 2.4 million drew benefits.

And what is worse, in its callousness, is a planned "quality control" drive by the Labor Dept. at the behest of employers to root out "overpayments" to claimants. There is no similar effort to collect an estimated $1 billion a year in employer underpayments or non-payment of taxes.

AFL-CIO President Lane Kirkland has taken sharp issue with the flawed program, calling it "the harshest system amongst all the industrial democracies." In Europe, "there are systems for providing assistance to unemployed workers that virtually never end."

Kirkland also said it was "an atrocity" that Congress blithely let extended benefits expire in the face of prolonged high-level unemployment and widening pockets of poverty.

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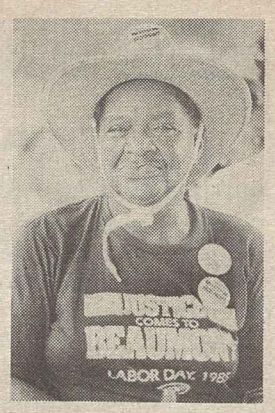
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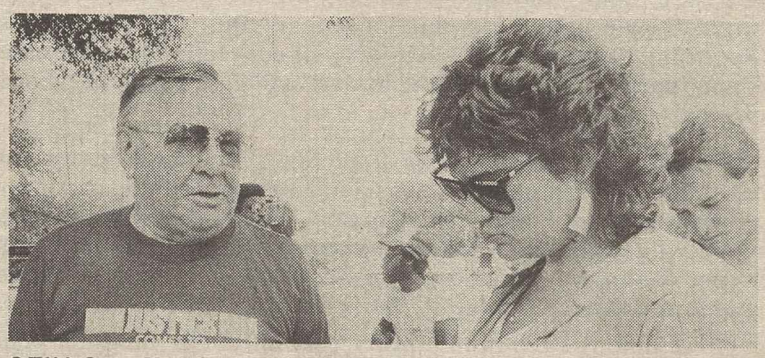



Marching for justice in the 100-degree-plus Texas heat.






Sharing in the spirit of solidarity.



SEIU Sec.-Treas. Richard Cordtz fields questions.

# *Civil rights era spirit rekindled in Texas nursing home protest*

Beaumont, Tex.—The temperature soared above 100 degrees and rivulets of sweat turned into steam when they dripped to the sizzling pavement. But the march in support of low-paid nursing home workers joined the trade union and civil rights movement in a solidarity reminiscent of the commitment that brought Dr. Martin Luther King, Jr., on his final mission to Memphis to support striking sanitation workers.

The heroines of the mile-and-one-half parade on the Sunday before Labor Day were the 157 women, all but two black, who struck for two months because the state's largest nursing home demanded that they take a pay cut in a new contract.

They had boosted their pay from the minimum wage to an average of $4.10 an hour after voting for representation by the Service Employees, and no way were they going to roll the clock back.

So they marched under the SEIU banner, singing "We Shall Overcome" and chanting union slogans.

SEIU Sec.-Treas. Richard W. Cordtz marched with them and spoke at the concluding rally. So did Texas State AFL-CIO President Harry Hubbard and area labor leaders.

## Heat no barrier

Members of industrial and craft unions from throughout the Texas Golden Triangle area marched in the record-breaking heat. As Donald Bird, a member of Pipe Fitters Local 195 explained to a reporter, "I'm just here to support them. Would you like your wages to be cut if you were making $4.10 an hour?"

Area NAACP chapters turned out for the march to the A.W. Schlesinger Geriatric Center. And 76-year-old Velma Jester, a veteran NAACP leader from nearby Orange County, told the rally at the nursing home, "My black brothers and sisters, your wages started going up with union wages. You've got to fight for it."

President Tom Turner of the Metropolitan Detroit AFL-CIO came to Beaumont to join in the march and to speak to the rally of labor's commitment "to economic justice for women and for blacks."

Joe Madison, NAACP national voter registration director, was on hand. And so was Atlanta City Council member John Lewis, who was a leader in the civil rights crusades of the 1960s.

"If Dr. King were alive today, he'd be identified with this struggle," Lewis said.

During two months on a 24-hour-a-day picket line, nursing and medication aides, food workers and others taking part in their first strike have deepened their union loyalties and only three of the original strikers broke ranks.

## Leader emerges

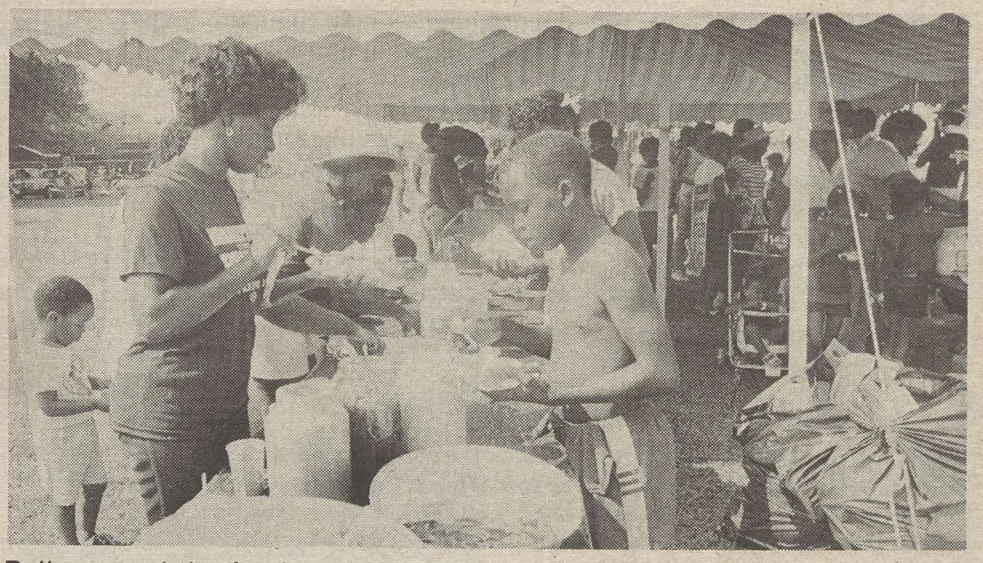
Doris Smith, who has never missed a daily turn on the picket line, has emerged as a rank-and-file leader.

"This union has made me very bold," she told a reporter, "especially when I know I'm right, and I know in my heart I'm right."

The labor dispute took a new turn when the NLRB regional director on the eve of the protest march issued an unfair labor practice complaint against the nursing home, charging it with failure to bargain in good faith and refusal to provide information properly sought by the union.

At that point, SEIU Local 706 Business Manager Rick Hall brought to the door of the nursing home a letter announcing that the union members were dropping their picket lines and returning to work—exercising their legal right to reclaim their jobs in a strike involving management's unfair practices. He dropped the letter on the ground when guards hired by management refused to touch it. But later, it turned out, someone did pick up the letter and management officials reportedly huddled with their attorney but put off an immediate decision.

Earlier, management had rejected the union's proposal to submit the contract dispute to a panel of community leaders.



Rally around the food at march's end.

# Negotiations over pay equity still on despite court ruling

**Continued from Page1**

AFSCME had won the first round of the Washington state legal battle when a federal district judge in 1983 ruled that the salary disparities found in a job study that the state itself had undertaken showed illegal sex discrimination. The job survey found jobs filled primarily by women were lower-paid than comparable jobs held mostly by men.

The state appealed the ruling, but the legislature meanwhile enacted legislation authorizing $41.6 million that could be used to achieve pay equity and an out-of-court settlement.

It is that fund which will be on the negotiating table.

## High court appeal

Because of the principle involved, AFSCME President Gerald W. McEntee said, the union will seek Supreme Court review of the unfavorable decision by a three-judge panel of the 9th Circuit U.S. Court of Appeals.

The thrust of the appellate decision was that the pay disparities in state employment reflected marketplace values and therefore weren't illegal since the employer hadn't deliberately discriminated against women workers.

The lower court decision, by Judge Jack Tanner, stressed the findings of a study commissioned by the state showing a 20 percent sex-linked salary gap in a sampling of jobs requiring similar skills, intelligence, responsibility and working conditions.

But the appellate panel reversed the finding of illegal sex discrimination, declaring: "The state did not create the market disparity and has not been shown to have been motivated by impermissible sex-based considerations in setting salaries."

McEntee told a news conference at AFSCME headquarters in Washington, D.C., that the appellate decision will make union efforts to achieve pay equity "a little tougher" but will not lessen the effort to do so.

Despite the appellate reversal, he said, "we believe we have both the law and equity on our side."

McEntee stressed that pay discrimination on the basis of sex remains illegal, and the issue in dispute in the Washington state case was whether it had been established that "this specific employer" had engaged in illegal discrimination.

Other federal courts will be addressing the issue in various pending cases, he noted.

# Mental health study cites perils of joblessness

Unemployment must be viewed as a serious social problem as well as an economic curse, the National Mental Health Association said in releasing a new study.

"The nation must develop a long-term understanding of and sensitivity to the interrelations between economics, work and the mental health of America," the report of the NMHA National Commission on Mental Health & Unemployment warned.

The commission, established in 1983, observed that the American work ethic has "made employment central to the functional mental health of most Americans." As a result, it said, there is a strong correlation between joblessness and physical and mental health problems.

Dr. Harvey Brenner of Johns Hopkins University, one of the commission's nine members, told reporters at a press conference the economy is shifting from what was an industrial-based and labor-intensive economy to one that is information based and non-labor-intensive.

A major implication of this shift, he said, is that "the new economic base depends on machines—not people—to do the work."

## Job drain

As a result, there will be a loss of "good jobs," those middle-ranked jobs that have a human craft component and require educational preparation—white-collar, middle management, and skilled blue-collar jobs.

The NMHA report said this means new jobs and retraining efforts "must be flexible, that workers must be adaptable, and that unions and management must work together to find creative, viable ways to address jobs and joblessness in a rapidly changing economic environment." It was one of her last major undertakings.

Another member of the commission is Legislative Director William Welsh of the State, County & Municipal Employees. The panel was chaired by the late Patricia Roberts Harris, former Secretary of Health & Human Services.

The study recommends ways in which government, business and the public can help minimize the detrimental effects of unemployment. It calls on the business community to give workers and community leaders at least one year's notice of plant closing, provide on-site job counseling, placement, training and retraining.

## Extend insurance

It also urges employers to extend medical and mental health insurance coverage to laid-off workers for a reasonable length of time.

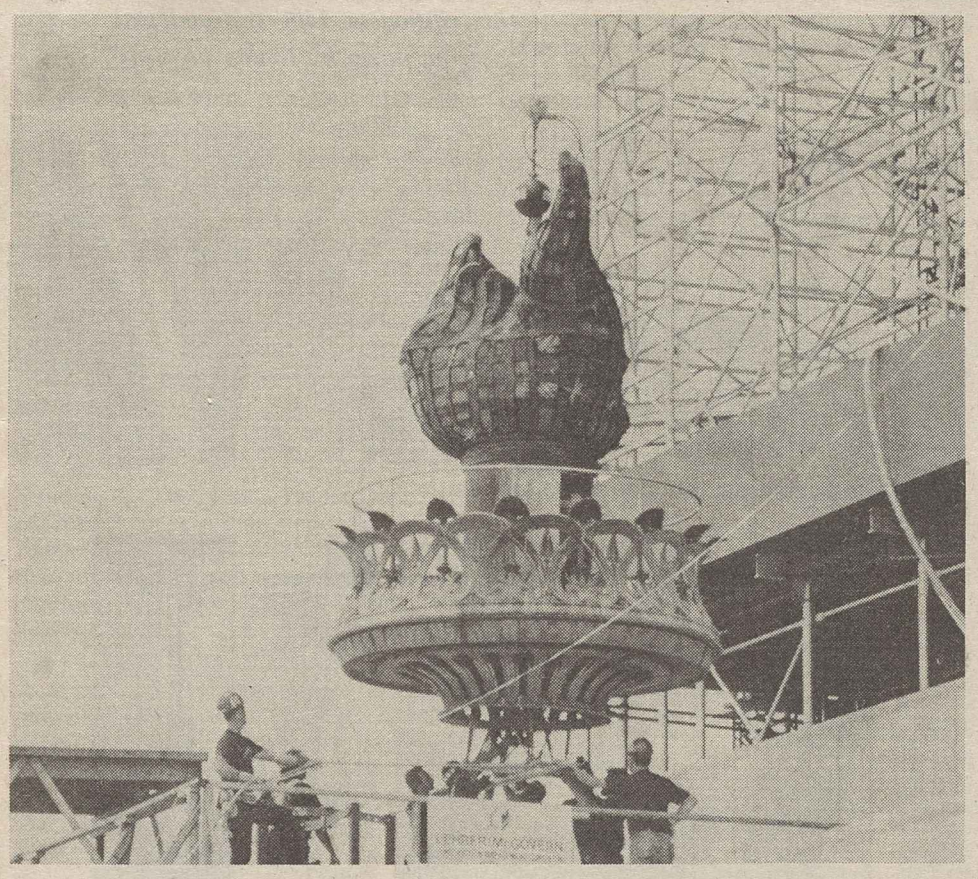
Copies of the report, "American Dream or Nightmare? Unemployment and Mental Health in America," are available at $8.95 from the National Mental Health Association's headquarters at 1021 Prince St., Alexandria, Va.

AFL-CIO news

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**LEGISLATIVE ALERT!**

PAGE 8



## Torch for Liberty

Building Trades crews lower Statue of Liberty's torch as restoration work continues on the national monument in New York Harbor. The two-year, all-union project is scheduled for completion by next Fourth of July for a special celebration at Liberty Island marking the monument's 100th anniversary. (Story and more photos, Page 2.)

# Public employees score Reagan bid to scuttle pay rule

**By Gene Zack**

The Reagan Administration, in what public employee unions called a ''wrong-headed'' move, threw its support behind efforts to overturn a Supreme Court decision affirming the right of state and local government workers to the overtime protections of the Fair Labor Standards Act.

Following the recommendation of a Cabinet council headed by Atty. Gen. Edwin Meese, the Administration sent two of its top officials to Capitol Hill to back legislation that would invalidate a 1974 law, upheld by the high court earlier this year, extending the overtime umbrella to employees of state and local governments.

Labor Sec. William Brock and Assistant Atty. Gen. William Bradford Reynolds told a Senate Labor subcommittee that implementation of the ten-year-old law would cost the 83,000 government units as much as $3 billion a year in earned overtime pay.

This contention has been challenged by public employee unions. They charge that state and local governments are inflating the compliance costs. The price tag, according to the State, County & Municipal Employees, would be far lower because most public sector contracts already provide for overtime pay.

Endorsing rollback legislation introduced by Senators Pete Wilson (R-Calif.) and Don Nickles (R-Okla.), the Administration spokesmen also argued that existing law would violate the doctrine of ''states' rights.''

AFSCME President Gerald W. McEntee was sharply critical of the Reagan Administration's ''wrong-headed support for changes in the Act.''

### Enforce the law

The present law should be enforced, he said, calling the proposed exemption of public employees unfair.

Al Bilik, executive director of the state and local division of the AFL-CIO Public Employee Dept., said that ''there is no compelling reason why 10 million workers should be arbitrarily excluded'' from FLSA coverage.

The high court's ruling that state and local governments should not be immunized from FLSA requirements should have put an end to the controversy, Bilik said, and the Administration should move ahead with implementing the law.

Brock told the subcommittee that, although the court had said it was constitutional to extend wage-hour requirements to state and local governments, ''there now remains the broader question of the appropriateness of so doing.''

### 'Improper reach'

The Administration, he said, believes imposing FLSA requirements on these units of government is an ''improper reach of federal power,'' and that ''corrective steps'' are needed ''to assure that state sovereignty is not unduly infringed.''

Reynolds denied that the Administration was taking a ''states' rights'' position. ''We advocate states' responsibilities,'' he insisted.

Raising the specter of new Reagan appointees to the Supreme Court before the Administration's term ends in 1989, Reynolds said that the four justices who

**Continued on Page 5**

# Kirkland hits U.S. failure to ratify ILO conventions

**By James M. Shevis**

Failure of the United States to ratify conventions of the International Labor Organization seriously threatens America's role and influence as a defender of human rights, AFL-CIO President Lane Kirkland warned the Senate.

''It is imperative in the interests of our global obligations and aspirations to put an end to this stagnation of U.S. ratification of ILO conventions,'' Kirkland told the Senate Labor Committee.

''It would contribute so much to the worldwide effort of the free and democratic societies whose leaders are now involved in a struggle to win the minds and souls of the people of the world and offer some hope especially to those who are now living in oppression under dictatorial and totalitarian regimes,'' Kirkland declared.

After 51 years of membership in the ILO, the United States has ratified only seven of the more than 160 conventions adopted by the tripartite body.

ILO conventions involve the basic standard-setting activities of the specialized United Nations agency. They cover not only freedom of association but also the right to collective bargaining and other worker issues.

Only one other country with comparable years of ILO membership—El Salvador—has fewer ratifications than the United States, Kirkland observed.

By contrast, the Western European members of the European Economic Community have an average of 70 convention ratifications and some have more than 100.

Failure to ratify the basic human rights conventions hampers and obscures the U.S role as the leading spokesman for freedom, democracy and human values in the world and places a propaganda weapon in the hands of the enemies of those values, Kirkland said.

He blamed the country's poor ratification record on resistance by employer organizations.

**Continued on Page 3**

# *Brock postpones OSHA standard on field sanitation*

**By Arlee C. Green**

Just when farm worker, labor, church and congressional groups could see time running out for the Occupational Safety & Health Administration to issue a field sanitation standard to require that farm workers have portable toilets and water for handwashing and drinking, the Labor Dept. moved the deadline for federal action back two years.

Labor Sec. William E. Brock deferred federal action for 18 months to allow individual states to pass legislation requiring these basic sanitary facilities for farm workers. If they fail to act, Brock said, OSHA will issue a standard within six months after that.

The AFL-CIO said the refusal to issue a standard ''is continuing evidence of the

**Continued on Page 3**

## Donahue tells House

# Fairness vital to immigration policy

''Tough and enforceable sanctions'' against employers who either hire undocumented workers or discriminate against those legally entitled to work must be at the heart of any immigration reform legislation, AFL-CIO Sec.-Treas. Thomas R. Donahue told a House Judiciary subcommittee.

At the same time, Donahue said, immigration reform must demonstrate compassion toward those who entered the countrv illegally, but who have now become ''settled, contributing members of their communities.''

Donahue expressed regret that, in the previous Congress, House and Senate conferees deadlocked on immigration legislation, and urged legislators to come to grips with the issue in this session of Congress.

''No subject is more in need of legislative action,'' he said, adding that ''the time will never be more appropriate'' to resolve the immigration dilemma facing the country.

He said legislation introduced by Rep. Peter W. Rodino, Jr. (D-N.J.) and Rep. Romano L. Mazzoli (D-Ky.) is a ''good vehicle'' for addressing the problem, but cautioned that improvements must be made before the bill meets the AFL-CIO's criteria for fairness and equity.

### Too much power

Pointing specifically to the bill's provision dealing with those who have already entered the country illegally, Donahue voiced concern that it would give the Attorney General too much discretion in adjusting their status. Once Congress determines the legalization policy and the accompanying requirements for admission, he said, it should ''direct the Executive Branch to put the policy into effect.''

''We can see no reason to make the whole structure dependent upon the standardless judgment by a Cabinet officer,'' he said. ''It would be a serious error to permit the withholding of legalization on a person-by-person basis.''

Turning to the issue of enforcement, Donahue stressed the need for universal coverage, rejecting the argument that small employers should be exempted from the prohibition against employing undocumented workers, on the ''fallacious'' grounds that it would be too burdensome for them to comply.

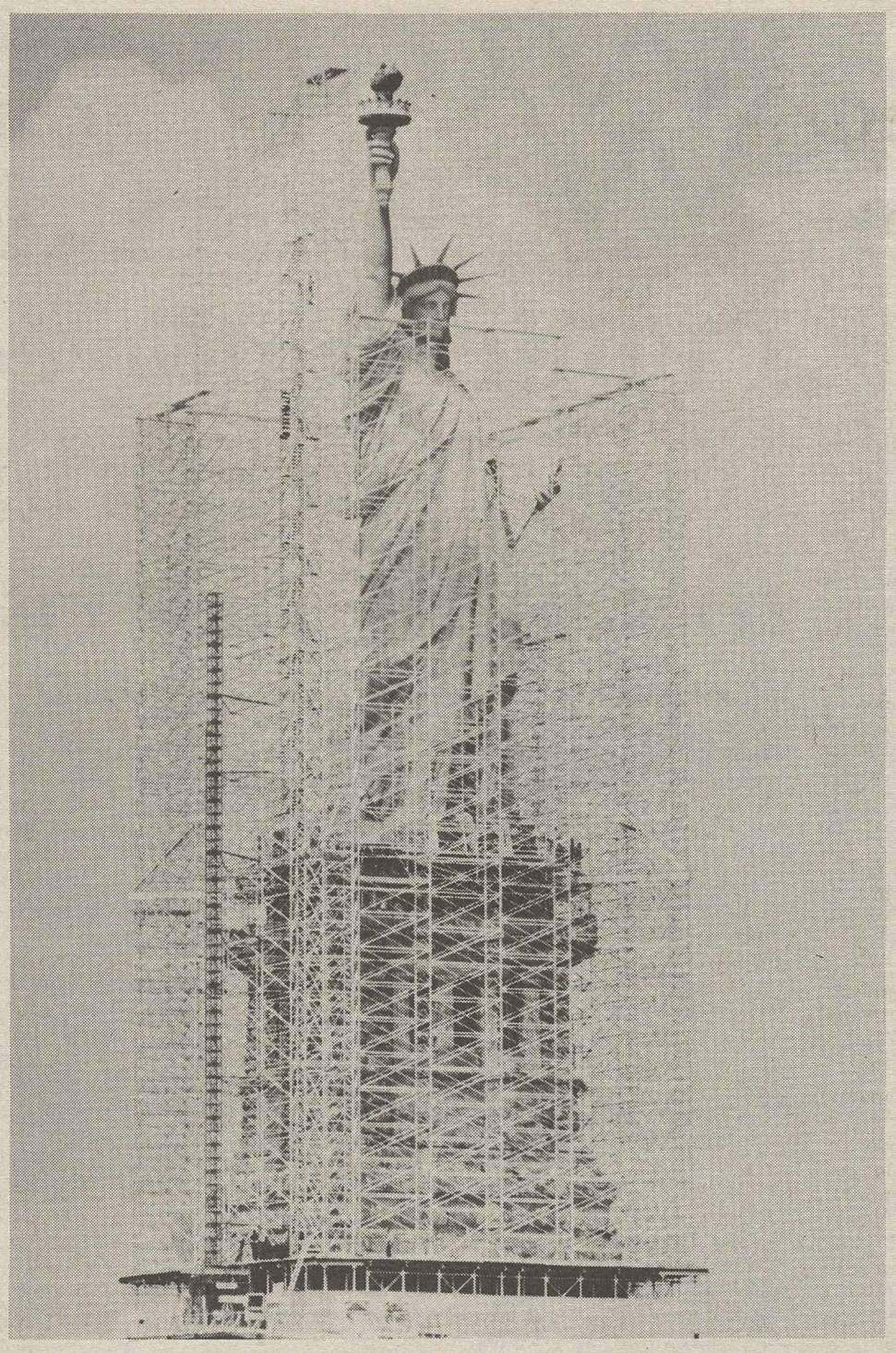
''If the document-checking that is required is made as simple as it should be, and if only good-faith inspection of documents is required, compliance could not reasonably be considered onerous.''

Donahue said there is an urgent need to develop a fool-proof system for determin-

**Continued on Page 6**

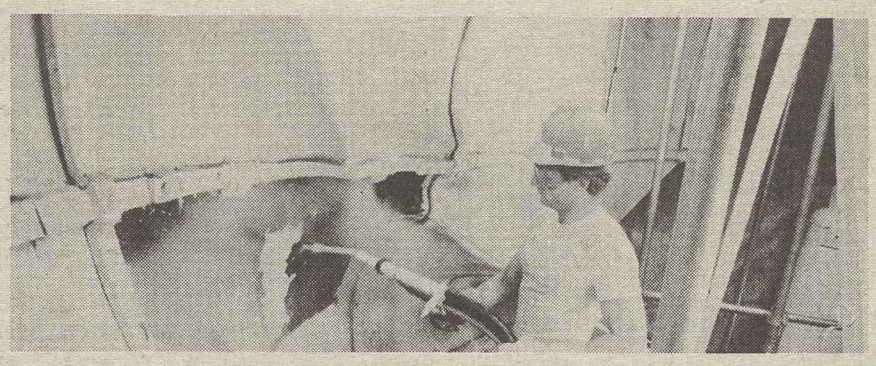
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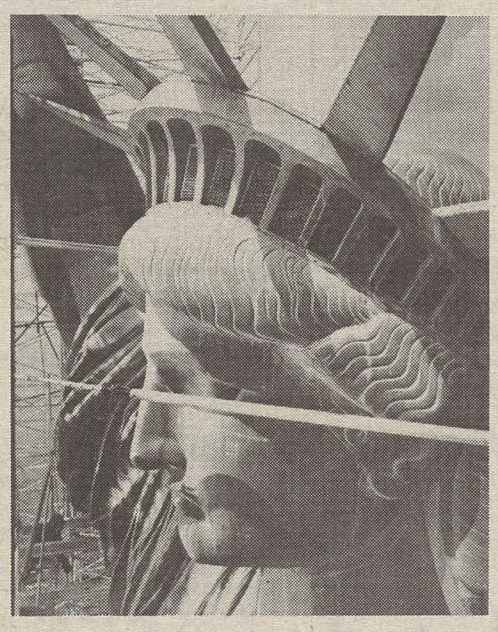


*'Give me your tired, your poor,*
*Your huddled masses yearning to breathe free,*
*The wretched refuse of your teeming shore.*
*Send these, the homeless, tempest-tost to me,*
*I lift my lamp beside the golden door!'*

*—Inscription on Liberty's pedestal*
*from poem by Emma Lazarus.*

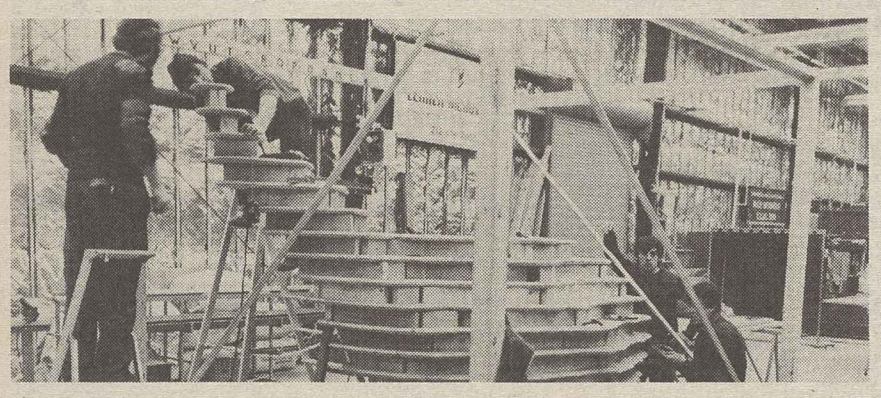


Removing paint inside the giant statue.

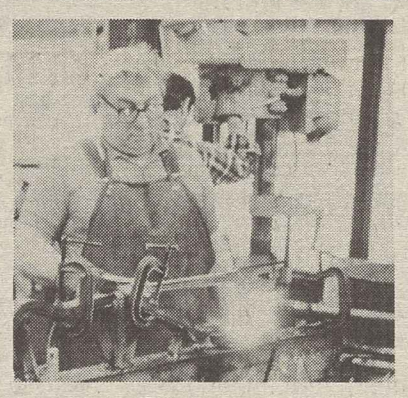




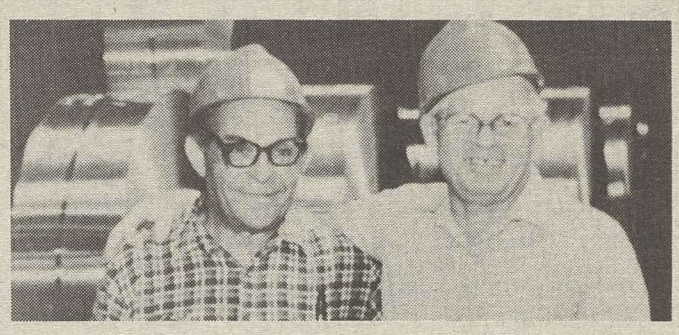
Ironworker molding steel bars to fit statue's frame.



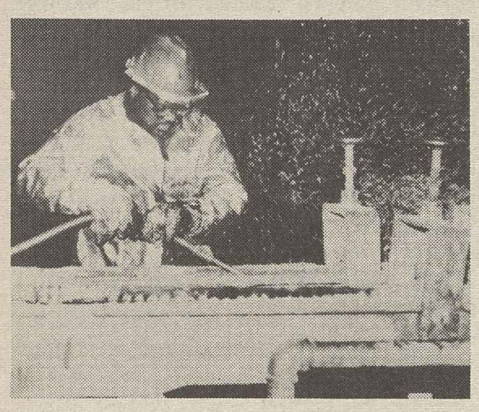
French metalworkers create new flame.



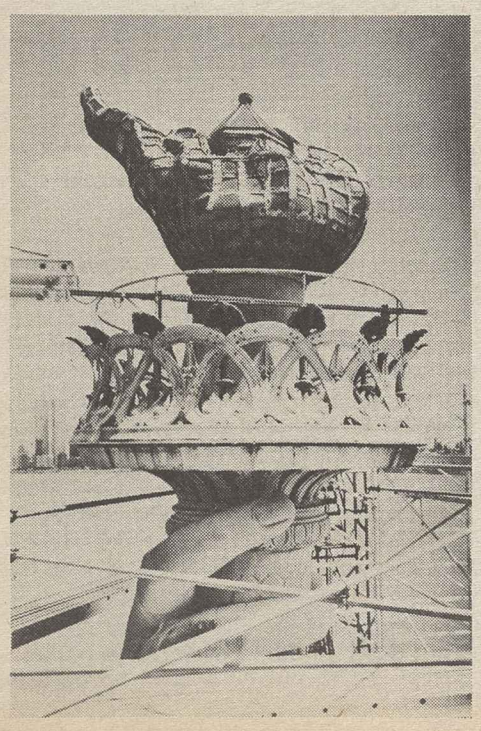
Shaping armature bars.



USWA members Jan Krzyzanowski and Joe Chilblin, who first saw Liberty 35 years ago as immigrants, made copper sheets for new torch.



Casting copper sheets for Liberty.



# Union restoration of Liberty

New York—The Statue of Liberty—America's symbol of freedom that has weathered the battering of nearly 100 years of storms—is being restored by skilled union craftworkers.

Except for needed repairs in 1937, Liberty has had no major work done since she was placed in New York Harbor almost a century ago. The restoration project, directed by the National Park Service, includes work on the Liberty Island monument as well as the buildings and grounds at Ellis Island, where millions of immigrants entered the United States during the late 19th and early 20th centuries.

The original statue—a gift from the people of France—was crafted by French workers, then dismantled and shipped to the United States. But the renovation work that began in 1984, for the most part, bears a union label and a made-in-America tag.

## Ready in '86

Members of the Building Trades have been working around the clock to complete the restoration for a special July 4th celebration in 1986.

Unions participating in the restoration effort include the Bricklayers, Carpenters, Electrical Workers, Elevator Constructors, Ironworkers, Laborers, Lathers, Operating Engineers, Painters, Plasterers, Cement Masons, Plumbers & Pipe Fitters and the Sheet Metal Workers.

Members of Steelworkers Local 8377 cleaned and prepared the 40,000 pounds of copper sheets donated by a Pennsylvania company to repair the statue's torch and hand. Members of six other USWA locals also had a part in the restoration project as six U.S. specialty steel firms produced and donated 40,000 pounds of stainless steel bars for the monument and another 10,000 pounds for the Ellis Island project, worth more than $200,000. Contributions from domestic steelmakers to the Statue of Liberty-Ellis Island Centennial Commission provided 40 tons of raw steel.

## Structural overhaul

Inside the monument, Ironworkers are forging and replacing more than 1,700 armatures—bars that fasten the statue's copper "skin" to the inner skeleton. Each bar must be bent, twisted or molded into shape to fit the curves and folds of the statue, and each bar takes an average of six hours to put in place. While the workers must sometimes use antiquated blacksmith methods, the materials being used in the restoration are strictly 20th century, as the deteriorating iron bars are replaced with stainless steel.

Painters are removing layers of paint and coal tar that covered the steel structure and interior of the statue with care not to harm the sheet copper surface.

Since traditional blasting materials could not be used on the delicate copper, crews experimented with rice, sand, cherry pits and even walnut shells before discovering that baking soda was the ideal cleaner. Painters used four tons of baking soda to remove the 99 years' accumulation of coal tar.

Elevator Constructors dug new pits 20 feet down into solid concrete to replace the aging system with double-decker glass elevators. Most of the demolition work was done by hand, using small drills and chippers, due to cramped quarters.

In a special workshop outside the statue, a team of ten French metalworkers are creating a new two-ton torch, remodeling its base and restoring the spikes around the statue's head.

Using a centuries-old process called repousse, the craftsmen use more than 100 different hammers to form the copper sheets into the flame and torch shapes.

Sheet Metal Workers are repairing some earlier "fixes" to Liberty, by patching the holes that were punched in the statue's skin years ago to drain water. The union crew will install an internal drainage system along with a new heating, ventilation and air conditioning system.

## New systems

Plumbers & Pipe Fitters are installing a new sprinkler system in the statue and replacing piping systems on Ellis Island.

Other work yet to be completed on the monument includes new spiral staircases, interior and exterior lighting systems and outside masonry work.

The renovation project, funded by donations from the American people, will cost about $39 million. The monument will be rededicated on her 100th anniversary in October 1986.

**—Candice Johnson**

## Long-term security

# Stable policy pressed on retirement income

Congress should develop ''a clear and consistent national retirement income policy'' geared to the needs of working men and women rather than to either tax or budget considerations, the AFL-CIO told a House Ways & Means subcommittee.

Social security and private pension systems work in tandem to make up ''the foundation of the nation's retirement income security'' plan, Lawrence Smedley, associate director of the federation's Dept. of Occupational Safety, Health & Social Security, testified. It is imperative that Congress develop a coordinated program to ''strengthen their future effectiveness,'' he stressed.

The subcommittee also heard from:

● Robert A. Georgine, president of the Building & Construction Trades Dept., who expressed concern that, under the guise of ''tax reform,'' proposals are being advanced to ''impose tax and other burdens'' on employer contributions for retirement and health benefits.

● William Hoffman, director of social security for the Auto Workers, who said that national policy should be directed toward providing retirees with ''an adequate replacement of their pre-retirement income, and maintaining the purchasing power of that income for the remainder of their lives.''

### Unneeded alterations

Smedley voiced concerns about the tendency to alter social security for budgetary purposes, at a time when the program is ''financially sound and does not contribute to the deficit.'' The result has been to shake the public's faith in this half-century-old program, he said.

To increase public confidence in social security and to insure its nonpolitical administration, Smedley said, the program should be ''removed from the unified budget and made an independent agency free from the pressures of political appointees.''

He called for restructuring social security to ''deal more equitably with income protection for women,'' noting that ''the problems of poverty and low income'' fall with particular severity on elderly women.

The AFL-CIO testimony also urged repeal of the provision, enacted in 1983, which would raise the retirement age, in increments, to 67 effective early in the next century.

Smedley called on Congress to move swiftly to prevent the diversion of private pension fund assets to corporate purposes, because such actions jeopardize ''the income security of millions of workers.'' He said reforms are needed ''to prevent solvent employers'' from evading their responsibilities by ''dumping unfunded pension liabilities'' onto the government-operated Pension Benefit Guaranty Corp.

### Shrinking value

He pointed out that automatic inflation protection is ''virtually nonexistent in the private pension sector.'' Thus, with an annual inflation rate of 4 percent, today's retiring worker's private pension dollar would be worth only 67 cents in purchasing power in ten years, while the social security beneficiary's dollar would buy $1.49 worth of goods.

Georgine, who testified in his capacity as chairman of the National Coordinating Committee for Multiemployer Plans, hit hard at current proposals to make employer-paid health benefits subject to income taxes. If that were to happen, he said, ''younger, healthier workers who do not feel they are likely to need health benefits . . . would likely drop out'' of such plans, leading to new or expanded government programs which would ''increase, rather than decrease, federal budget deficits.''

Hoffman told the subcommittee that, although the needs of retirees differ somewhat from those of active workers, there are ''certain timeless necessities of life which are common to all and are the birthright of every citizen.'' He defined these universal needs as including ''adequate housing, proper nutrition, clothing, transportation and medical care.''

The UAW spokesman pointed out that social security offers ''the fairest and most efficient way'' to provide basic retirement benefits. Two-thirds of the over-65 beneficiaries rely on social security for more than half their income, and a third rely on it for 90 percent of their income, while only a third of those over 65 receive benefits from private plans.

### New pamphlet issued on social security benefits

A new AFL-CIO pamphlet describes the protections workers and their families receive through social security and answers criticisms spread by opponents of the system.

There is no charge for the pamphlet, Publication No. 167, which is titled ''The Worker's Stake in Social Security.'' Copies are available from the AFL-CIO Pamphlet Division, 815 16th Street N.W., Washington, D.C. 20006.



Joining Kirkland at Senate hearings are International Affairs Director Irving Brown, right, and Edward Hickey, adviser to U.S. worker ILO delegation.

# *Holdout on ILO conventions undermines U.S. credibility*

**Continued from Page 1**

''Ratification would involve a supervisory scrutiny of our democratic laws and practices and involve some of our domestic labor standards,'' he said.

The United States has been subjected to an ever increasing barrage of stinging criticism for its ratification record—not only from the Soviet bloc, but also from its West European allies and developing world countries, Kirkland said.

''Our friends throughout the world cannot understand our failure to ratify not only conventions on freedom of association and collective bargaining but especially such conventions as forced labor, which we helped to draft.

''Isn't it a mockery before the world that a nation which went through a civil war over the issue of slavery has not ratified an international convention on slavery?'' he asked.

''It is even more puzzling to our friends, inasmuch as we implement these conventions in practice in the field of industrial relations, employment and civil rights.''

Within the ILO, the failure to ratify conventions prevents the United States from introducing any complaints against other governments on those conventions.

''The United States is thus reduced to being able merely to associate itself with other governments on many issues that are and have been vital to the national interest of the country,'' he said.

Despite the government's poor ratification record, the American labor movement will continue to stay in the forefront of the worldwide struggle for worker rights, Kirkland declared.

# Brock orders 2-year delay on field sanitation standard

**Continued from Page1**

federal government's unwillingness to meet its responsibilities under the Occupational Safety & Health Act.''

The federation expressed concern that Brock's decision will become a ''precedent for federal inaction and the ceding of authority back to the states.''

The states have had numerous opportunities since 1972 to require these basic facilities for farm workers with disappointing results, the AFL-CIO statement said, adding, ''There is no reason to believe the states will act now.''

By postponing any federal action, the right to clean water and portable toilets—the minimum standard proposed 18 months ago—is being denied to the nation's 550,000 farm workers, the AFL-CIO said, stressing that this increases their already high risk of parasitic and pesticide-related diseases.

Brock had pledged during his Senate confirmation hearings in April to review the decision of former OSHA Administrator Robert Rowland not to issue a standard.

The Farm Workers called the Labor Dept.'s decision ''pretty terrible,'' declaring that it shows the ''state of mind of the growers is still in the last century.''

Farm Workers Vice President Dolores Huerta said female farm workers are hurt more by the Labor Dept.'s decision. ''It is degrading for women farm workers to have to bare themselves in front of male foremen. It could be considered a form of sexual harassment. There are no trees in most of these fields. Really no place to go. This should be a concern to consumers, too, as most of these crops go directly to the marketplace.''

### Lacking clout

Huerta said she doubted that the state legislators would be rushing to pass field sanitation legislation. ''In most states, farm workers aren't unionized and they lack political clout,'' she observed.

The Farm Workers Justice Fund, which has spearheaded the 13-year effort by a coalition of labor, church and farm groups to pry a standard out of OSHA, vowed to continue its fight in the courts.

Charles Horwitz of the Migrant Legal Action Program called Brock's decision ''outrageous'' and said he felt the Labor Secretary had been under great pressure from the White House not to issue a standard.

Horwitz said the department's approach was ''very novel, the reverse of what Congress had intended for OSHA.'' He noted that OSHA did not defer to the states when it issued its weak right-to-know standard that it insisted should pre-empt stronger state standards.

OSHA must file its reply to the review petition by Oct. 16, and the Farm Worker Justice Fund will have until Oct. 31 to respond.

# *Democrats continue sanctions drive*

Blocked by a conservative filibuster against legislation imposing tough economic sanctions on white-ruled South Africa, Senate Democrats vowed to attach the bill's provisions to key legislation pending in Congress ''until we win.''

Although sentiment had been running high among both Democrats and Republicans against Pretoria's racial policies, President Reagan sought to take the steam out of the sanctions fight by issuing an order imposing far less stringent sanctions against the South African government.

Reagan had resisted pleas from his own party's leaders in the Senate to crack down on South Africa, insisting that his policy of ''constructive engagement'' was sufficient to deal with the mounting crisis caused by the white minority government of President Pieter Botha.

The President opted in the end for limited sanctions as the only way to avoid the embarrassment of having the measure en-acted by the Republican-controlled Senate.

After three unsuccessful attempts to muster the 60 votes needed to choke off the filibuster, Democrats began devising new tactics to bring the labor-backed measure to the floor, confident that they still have the simple majority needed for passage.

Sen. Alan Cranston (D-Calif.), the assistant minority leader, said supporters would seek to attach the anti-apartheid provisions to either the pending debt limitation bill or a subsequent continuing resolution to fund the federal government beyond the end of the current fiscal year.

Either of the bills, Cranston said, would be ''tough to filibuster and . . . very tough to veto.''

''We are going to keep this issue before the Congress and the country until we win,'' Cranston said.

### Other issues

Meanwhile, Congress was scheduled to get down to business on a number of labor issues, some of which have been hanging fire for years.

Among the items on the congressional plate are measures that would:

● Launch a frontal assault on the deepening crisis caused by the flood of imports swamping U.S. markets.

To deal with the job-destroying effects of unchecked foreign trade, a number of get-tough bills have been introduced, with labor's all-out backing, that would crack down on countries that erect unfair trade barriers to U.S.-made goods and concentrate on development of a consistent and long-overdue U.S. trade policy.

● Workers and their communities from the devastation of unexpected plant closings by requiring employers to give workers and their unions three months' advance notice before shutting down a plant or laying off more than 50 employees during a 30-day period.

The measure, expected to reach the House floor shortly, has been described by the AFL-CIO as ''modest'' in comparison to previous proposals, but a strong challenge to the legislation has been mounted by business and industry lobbyists, and a close vote is anticipated.

● Prevent construction frims with union contracts from creating non-union counterparts to which they divert work that would otherwise be covered by the collective bargaining agreement.

● Mandate a study of the federal wage and classification systems to determine whether they discriminate on the basis of sex, race or Hispanic origin—the first step toward possible achievement of pay equity.

● Revise the overtime requirements of the Walsh-Healey Act to exempt to exempt federal contractors from the obligation to pay overtime for anything beyond eight hours a day limiting them to the law's requirements only when a worker puts in more than 40 hours a week.

● Ban the use of lie-detector tests in private sector employment and impose harsh economic sanctions for employer violations. Introduced by Representatives Pat Williams (D-Mont.) and Jack Kemp (R-N.Y.), and strongly endorsed by the trade union movement, the bill has already drawn more than 160 cosponsors in the House.




**Saving the farm**

Labor support for new legislation to help rescue hard-pressed family farmers from a continuing wave of foreclosures is pledged by Kenneth Young, executive assistant to the AFL-CIO President, at a Capitol Hill rally. The farm delegation from Iowa, Missouri and Nebraska is campaigning for needed measures to ease plight of family farmers caused by tight credit, budget deficits, weak commodity prices and faulty foreign trade policy.

# Labor vows continued effort to win freedom for Sakharov

The American labor movement stands ready to help in whatever way possible to secure freedom for Soviet human rights crusader Andrei Sakharov, exiled internally in the USSR five years ago.

"It's vitally important to keep public attention focused on the Sakharov case and on the issues and values that are at stake in it," Federation President Lane Kirkland told newsmen near the Soviet embassy in Washington, where Sakharov's stepson has been on a hunger strike since Aug. 30 to protest his stepfather's exile.

Kirkland and other supporters signed a sidewalk petition circulated by Alexsei Semynov and his sister Tatiana Yankelovich who joined her brother six days after he began his protest.

The petition calls on President Reagan and Sec. of State George Shultz to intervene on behalf of the Nobel Peace Prize winner and his wife.

Kirkland said the Soviets' denial of freedom for the Sakharovs is "the most glaring example" of their violation of the Helsinki agreement and other international accords guaranteeing basic human rights.

"It also raises the broader question of what undertakings of the Soviet Union can be trusted," he said.

Kirkland said Sakharov should be allowed to travel wherever he wishes and to speak to whomever he wants—"just as anyone can in this country and as the Soviet Union has committed itself to in any number of international instruments."

The AFL-CIO is following the Sakharovs' case closely, Kirkland noted.

"Anything that can be done to focus American attention more broadly on this question and on the enormous stature and great symbolic importance of your stepfather is a vital importance to us, and we'll do anything we can to be of help," he told Semynov.

The Sakharovs were exiled from Moscow to Gorki, a city closed to foreigners, in January 1980 after the Nobel prize-winner continued to criticize the Soviet regime for violations of human rights.

# Affiliates urged to join in marking Rev. King holiday

The AFL-CIO is calling on affiliates to contribute to the federation's fund for labor's remembrance of Rev. Martin Luther King, Jr., when the nation officially observes his birthday for the first time next January.

"Because of the strong bonds between organized labor and Dr. King," Federation President Lane Kirkland said in a letter to presidents of all affiliated unions, "it is appropriate that the labor movement should be an important and visible part of the commemoration of his life.

"In fact, it was while Dr. King was in Memphis, Tenn., helping sanitation workers organize as members of an AFL-CIO affiliate, that he was assassinated.

"With your help, organized labor will play an appropriate and leading role in honoring a man who dedicated his life to our shared goals of freedom, justice and dignity."

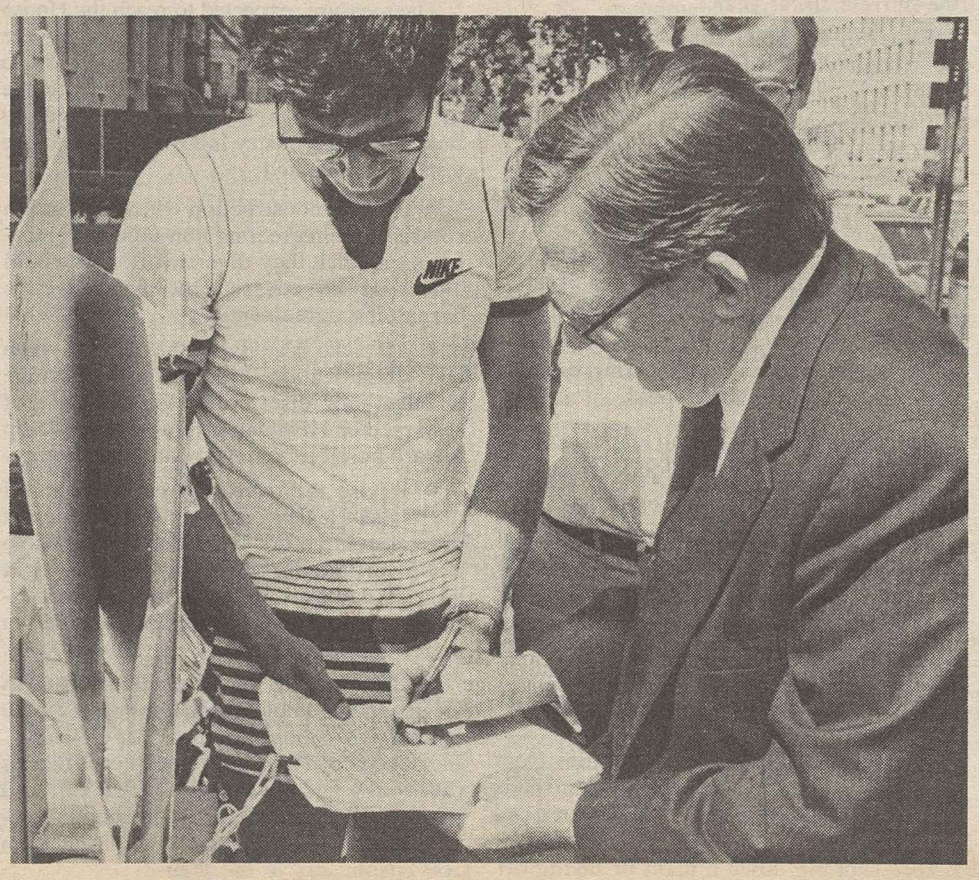
## Labor support

The AFL-CIO strongly supported passage of the federal law that made King's Jan. 20 birthday a national holiday. It is participating in the first national observance of the holiday through a labor advisory committee to the national King Holiday Commission, which is planning activities in connection with the event.

Kirkland said in his letter to affiliates that the advisory committee is preparing a written history and short film on King's life and his bonds with the labor movement.

In a number of cities, too, the committee is working with local labor organizations on commemorative events scheduled for the holiday, he said.

At its last meeting, the Executive Council voted to contribute $10,000 to its King Holiday Fund. Affiliates should make checks payable to the AFL-CIO/King Holiday Fund, and send them to the attention of Sec.-Treas. Thomas R. Donahue.



Kirkland signs Sakharov petition for Alexei Semynov.

# *Comprehensive program pressed to assist victims of occupational disease*

Union witnesses told Congress that a misnamed Asbestos Workers' Recovery Act fails to adequately compensate asbestos victims and limits workers' legal remedies by shielding asbestos companies from further liability.

President Edward J. Carlough of the Sheet Metal Workers, was joined by AFL-CIO Industrial Union Dept. President Howard Samuel, Building & Construction Trades Dept. President Robert Georgine and AFL-CIO Legislative Rep. Jay Power in calling for a comprehensive program to aid occupational disease victims.

Testifying before the Senate Finance Subcommittee on Health, Carlough decried the proposed limitation on manufacturer liability. "This bill seeks to establish—as the only form of compensation—a no-fault payment system similar to a workers' compensation system, he said. "But the fault of the industry has already been proven."

Carlough testified that if a compensation system is to be set up, it should be in addition to the tort system, not instead of it.

He called the compensation scheme contained in the bill, sponsored by Sen. William Armstrong (R-Colo.), "totally inadequate."

The bill would allow an asbestosis victim to be paid his average weekly wage once a month. "At most, this payment would last for a period of five years," Carlough noted. "If the average weekly wage were $300, for example, that victim would receive only $28,000 over the five year period."

Carlough told the subcommittee that asbestos victims should not be singled out from all the other workers who get occupational diseases.

Power, testifying for the AFL-CIO, suggested that another compensation bill, the Occupational Compensation Act of 1985 introduced by Rep. Patrick Williams (D-Mont.), better meets the needs of workers exposed to asbestos and other toxic substances.

## Limitations opposed

In opposing Armstrong's bill, Power cited the limitation it puts on the liability of employers and manufacturers. "Companies should not have the shelter and protection of exclusive remedy when occupational illnesses related to toxic substances are the result of willful and intentional misconduct," he said.

He noted that potential manufacturer liability has proved to be a major incentive for high standards of testing and production, as well as comprehensive notice of possible hazard."

A federal compensation program is needed to furnish adequate compensation to occupational disease victims, Power said. He stressed that it should cover all known health hazards and provide adequate coverage and protection, including generous time limits for filing claims and eligibility requirements that presume many disabling diseases are caused by work-related exposure to toxic substances.

Samuel also supported the comprehensive approach contained in Williams's bill.

In additon to a system for compensating victims, a program is needed to identify and inform workers who are at risk of disease due to occupational exposures, Samuel said. To this point, he urged passage of the High Risk Occupational Disease Notification & Prevention Act of 1985.

## Early detection

Georgine also called for legislation to mandate identification of potential victims of occupational diseases and require a system of early detection.

He stressed that every union in the BCTD has members who are exposed to asbestos and other toxic substances on the job.

Commenting on the financing of a federal compensation program, Georgine said the burden of payment should be placed on the manufacturers of toxic substances.

"We don't believe that the American public should pay for the workplace disability caused by exposures to toxic substances," Georgine said.

Because of the latency and multiple exposure factors, "it is appropriate that a compensation fund be created that will have an industry-by-industry orientation," he said.

# Sheet Metal union to screen members for asbestos risks

The Sheet Metal Workers launched a multi-million dollar program to screen and treat their members for asbestos-related disease and to develop new safeguards on asbestos hazards.

SMW President Edward J. Carlough announced the new program at a Washington press conference following congressional testimony on a victim compensation bill.

At the press conference, Carlough noted that when he told the union's 300 business agents of the new program he asked how many had been exposed to asbestos on the job. "Every single hand was raised, including mine," he said.

Carlough said that the past behavior of the asbestos companies "has been not only criminal, but also immoral. They inflicted future injury on their workers for a half century, knowing full well what they were doing. Now we must invest millions to meet our obligation to our members' health and safety. They must not die in agony, in poverty, in despair and in ignorance of the causes of their misery."

## Selikoff role

The first step of the SMW program would involve a detailed screening of 1,500 members under a $707,000 agreement with Dr. Irving Selikoff, director of the Environmental Science Laboratory at Mt. Sinai Hospital in New York City and a leading expert in asbestos-related diseases.

The screening will include an evaluation of the members' current health, recommendations for treatment when required, and a follow-up program to monitor the latent effects of asbestos exposure.

Selikoff will also review and recommend changes in work practices in the sheet metal industry.

The SMW program will also press for legislation covering asbestos in the workplace, provide legal counsel to members who suffer asbestos-related diseases, sponsor research on new products and technologies to be sure substances that are replacing asbestos are not equally hazardous, and provide training to members.

The information developed in the first step of the program will be used in a larger screening program to be available to all members of the union and their families.

# Clothing pact sets pattern for 100,000

New York—A sweeping new contract, which will affect more than 100,000 shirt, cotton garment and pants workers, was overwhelmingly ratified by members of the Clothing & Textile Workers.

The three-year pact, covering 23,000 workers employed by the nation's leading producers of furnishings and other non-tailored apparel for men and boys, sets a pattern for 88,000 more workers in the industry, both union and non-union.

With the ratification vote running at 95 percent favorable, ACTWU President Murray H. Finley and Sec.-Treas. Jack Sheinkman, who headed the negotiating team, hailed the agreement as representing "a major improvement" in dealing with the economic needs of workers in the industry.

Under the agreement, all workers received an across-the-board bonus of $500 on Sept. 1. In September 1986, workers will receive a bonus of 6 percent of their basic earnings in the previous year, followed by a 25-cent-an-hour wage boost in August 1987 and, in November of that year, a 6 percent bonus for all workers who have been on the payroll for at least one year.

### 20-percent bonus

The union estimated the value of the wage and bonus package at 20 percent of current workers' income over three-years.

The settlement also provides for an improved health care plan, including major medical coverage, plus increases in life insurance, disability and pension benefits. It also adds the birthday of Dr. Martin Luther King, Jr., as a paid holiday, bringing to 11 the total number of paid holidays.

Among the major companies involved in the negotiations were the Alatex, Inc., and Arrow Co. divisions of Cluet-Peabody; the Jay Mar-Ruby subsidiary of Hartmarx; Eagle Shirt, Health Tex and Manhattan Industries.



Union volunteers work to remove shed during first phase of community service project.

# *Outdoor center built by union volunteers makes life safer, brighter for handicapped*

Wichita, Kan.—Volunteers from eight area unions are donating their time and energy toward making life a little sunnier for the mentally and physically handicapped adults who are cared for daily at the Culver Center here.

These adults of all ages, who because of their disabilities are unable to care for themselves, were facing another season of being shut in for lack of safe, accessible, outdoor facilities on the center's grounds.

In a three-phase project, union members are converting a 33-by-100-foot lot behind the center into an enclosed garden accessible by wheelchair-bound adults.

"This is a real community effort," said project coordinator Andy Yunos of Machinists Local 733, noting that heavy machinery and supplies have been provided by a number of companies.

"We just felt we could help," Yunos said. "All we have to do is give a little bit of our time, a little bit of muscle." There has been no charge for labor and no charge for supplies and equipment.

About 75 union members turned out for the first phase of the project, demolishing a large storage shed, removing a fence and clearing the ground.

### Hard work

Phase two drew nearly 30 volunteers to break up a concrete slab and remove tree stumps. None of the work was easy in the heat of mid-August.

The third phase of the community service project will include the building of three raised garden plots, a gazebo, a 6-by-24-foot pond with fountain, a round flower bed, and a patio edged with planters, all surrounded by a redwood fence and for privacy enhanced beauty.

Area unions began working on the project shortly after the end of the Kansas AFL-CIO Community Services Conference held here in June.

Charles Dutton, local AFL-CIO community services director, said participants at the conference toured the facility in June and learned that the center wanted an outdoor garden for its clients, but had been turned down for federal and state grant money. It was then that the unions chose the Culver Center project to aid the adults.

The volunteers are from Machinists District 70, Operating Engineers Local 101, Electrical Workers Locals 271 and 523, Carpenters Local 201, Teachers Local 725, Plumbers Local 171 and Bricklayers Local 199, and an unaffiliated Teamsters local.

## 8.1 million unemployed

# Jobless rate still at recession level

The nation's unemployment rate, stuck at 7.3 percent for the previous six months, fell three-tenths of 1 percent in August, but at 7 percent still was historically high.

"The sad part is that it is still at recession levels," AFL-CIO Research Director Rudy Oswald observed, pointing out "there has been no substantial movement" in the jobless rate in 15 months.

Oswald and other economists were generally cautious about the decline in the rate as 8.1 million workers were listed on the nation's unemployment rolls by the Bureau of Labor Statistics.

"The drop is not likely to stay at that level, but continues to bounce around in the range of 7 and 7.5 percent, where the unemployment level has been since May 1984," Oswald said.

BLS Commissioner Janet L. Norwood told the congressional Joint Economic Committee "we need to have a couple more months of data" confirming the decline before calling it a new trend.

Most of the August decline was concentrated among younger workers, those between 16 and 24, particularly teenagers whose jobless rate is volatile.

While the rate for teenagers fell from 19.5 to 17.3 percent last month, there were actually 34,000 fewer teenagers working than in July. That was because nearly 250,000 of them dropped out of the labor force, many returning to school.

### Black teens

The jobless rate for black teenagers fell sharply from 41.3 to 34.4 percent in August, but as the Washington-based Roosevelt Centennial Youth Project noted, even this can be misleading.

"The stark fact we still face," Project Director Frank Slobig warned, "is that less than 4 percent of black teenagers living in poverty who are in school are employed."

Also, nearly two-thirds of the country's unemployed received no unemployment compensation benefits in August, largely due to limitations on allotments or budget cutbacks by the Reagan Administration or the states.

Despite the shrinking proportion of benefit recipients, the Labor Dept. reported the number of new claims for benefits rose 12,000 to 382,000 during the week ended Aug. 24. But only 2.5 million of the more than 8 million unemployed workers were collecting benefits.

There likely will be more claimants as some companies plan layoffs. AT&T announced in August it will eliminate some 24,000 jobs in its information systems group, and Ford Motor Co. said it will lay off about 10,000 white-collar workers over the next five years.

Oswald noted that 7-percent jobless rates have always been regarded as "recession levels." He recalled that the jobless rate was 5.6 percent in 1979, and moved above 7 percent in 1980.

In his campaign for the presidency, Reagan attacked Jimmy Carter on the unemployment issue. Two years later under the Reagan Administration, the jobless rate rose to a high of 10.7 percent.

### Rise in jobs

Civilian employment rose by 310,000 to 107.2 million in August, BLS reported, but the labor force shrunk by 15,000 to 115.3 million, leaving 8.1 million persons without jobs.

The BLS count of jobless persons does not include those who have stopped looking for work, or work part-time because they cannot find full-time work.

There was continued strong growth in the number of service sector jobs, particularly in wholesale and retail trade and finance, insurance, and real estate. Construction employment continued to rise, mining declined slightly. Factory jobs held steady.

### Grim year

**More than 21.5 million Americans were unemployed for at least one week during 1984, the Labor Dept. reported.**

**This widespread unemployment occurred while the nation's official jobless rate hovered in the mid-7 percent range and about 8.5 million people were out of jobs each month.**

**The proportion of men with some joblessness last year was 18.1 percent; for women it was 16.5 percent.**

**The proportion of blacks who experienced some unemployment last year was 26.7 percent.**

# Frontier unions back buyout plan

Denver—Four of five unions representing employees of Frontier Airlines have ratified new contracts aimed at making the carrier a worker-owned company.

The Air Line Pilots, Association of Flight Attendants, Air Line Employees and Transport Workers agreed to a $32-million wage and work rule concession package, paving the way for an employee stock ownership plan (ESOP) that will give their members 80 percent control of the company.

Non-contract employees agreed to a separate ESOP that will give them 10 percent of the holdings while management will receive another 10 percent through stock options.

The Machinists left the four-union coalition last February but discussions are continuing and may lead to IAM participation in the employee takeover plan.

The buyout plan, the first of its kind in the airline industry, would allow Frontier to buy back some 12.4 million outstanding shares in the company at $17 a share. The Akron-based GenCorp., which owns 45 percent of Frontier Holdings, the airline's parent firm, already has pledged to vote in favor of the buyout.

Approval of the plan by the Securities & Exchange Commission is not yet complete, but the unions expect a shareholder vote on it late next month. The buyout requires 72.5 percent approval of the shareholders' vote.

Under the plan, each union will get a certain percent of the 80 percent share of the company set aside for the coalition. In return, ALPA agreed to a 6.7 percent wage reduction, AFA 10 percent, and ALEA 13 percent.

Details of TWU's agreement were not available.

The IAM is also continuing contract talks with Frontier. Its current pact expires later this month.

# Public employees score Reagan bid to scuttle pay rule

**Continued from Page1**

dissented from the decision upholding the 1974 law "are prepared to overrule . . . if given an opportunity in the future."

The extension of wage-hour coverage to state and local government workers was passed by lopsided votes of 350-45 in the House and 71-19 in the Senate, and was signed into law by President Ford.

Hardly had the ink dried on the measure before it was challenged in the courts. In 1976, by a 5-4 vote, the Supreme Court ruled it unconstitutional. The law remained in limbo until last February when, also by a 5-4 majority, the court restored federal wage-hour coverage to millions of government workers at the state and local level.

The case, titled Garcia vs. San Antonio Metropolitan Transit Authority, was initiated by the Amalgamated Transit Union on behalf of city bus drivers who had been denied overtime pay.

"These employees have a right to the basic protections of the law," Bilik said, "and there is no reason in the world why they should be excluded."

# Immigration policy keyed to fairness

**Continued from Page 1**

ing whether an individual has the legal right to work in this country. Existing documents are "too easily, and therefore too frequently, fraudulently produced," he said, and there may be a need for "a truly tamper-proof social security card" or other means of verification. Congress, he said, should direct the President to develop a workable verification system as expeditiously as possible.

Donahue recommended the enforcement mechanism in the Rodino-Mazzoli bill as the way for dealing with unfair immigration-related employment practices, calling them a "natural model" for what is needed with respect to sanctions.

Organized labor is especially concerned about an unexpected consequence of immigration reform legislation: discrimination by employers against "foreign-appearing or foreign-sounding applicants," Donahue said, and he welcomed the bill's requirement that employers check the documents of all potential employees.

Donahue reserved his sharpest criticism for the provisions in the Rodino-Mazzoli bill which would weaken current limitations on the importation of foreign workers. The result would be a return to the "old bracero program" in the agricultural field, a program abolished more than two decades ago, and could lead to the denial of jobs in other areas to qualified American workers.

"No need has been shown" for abandoning the provisions of current law, he said, "and therefore it should not be done."



Sec.-Treas. Thomas R. Donahue testifies at House hearings on reforming immigration policy with AFL-CIO attorney Janet Kohn.

# British labor hits Thatcher for weak stand on apartheid

Blackpool, England—Britain's trade union movement condemned the Thatcher Government for failing to respond to South Africa's inhumane treatment of blacks, and launched a campaign to press Pretoria to end apartheid.

In a resolution adopted at its 117th annual meeting, the British Trades Union Congress scored the government for not imposing economic sanctions against South Africa and called on its nearly 100 affiliated unions to seek ways to apply pressure to alleviate the condition of South Africa's black trade unionists.

The measure, adopted unanimously, calls for renewed efforts by British unions to get South African goods barred from stores. It also urges affiliates to withdraw any investments their pension funds may have in South Africa and try to get British firms not to invest there.

Britain is the largest investor in South Africa and its fourth biggest trading partner.

The resolution also seeks a government ban on new investment in South Africa, an end to British bank loans to Pretoria, withdrawal of Britain's ambassador, and expulsion of South Africa's envoy to Britain.

## Repression of blacks

Turmoil has engulfed several South African black townships in recent months, with the government brutally quelling worker uprisings.

Delegates also adopted a number of other resolutions during the weeklong meeting, and heard from fraternal delegates from other national trade union centers.

Steelworkers President Lynn R. Williams, representing the AFL-CIO, stressed the right of workers to associate freely and to form unions for their common welfare wherever they may be.

"We must resist the pernicious idea that freedom of association is appropriate only in certain social systems, where there is private ownership of the means of production but unnecessary in systems of state ownership," Williams said.

"We hold to the single standard that workers must be free to create and control their own unions—regardless of who owns the means of production.

"We must hold to this standard in Poland and South Africa, in Chile and the Soviet Union, in El Salvador and Nicaragua."

## A cornerstone

Freedom of association is not a passing fad, Williams declared. Nor is it just a trade union issue or a civil or political right to be counterposed to economic and social rights.

"Economic and social rights cannot be won without the right to organize," he said. "And without the right to organize, the people have no power to restrain their leaders from acts or threats of war."

Noting the economic interdependency of the free world, Williams said there are no purely national solutions to problems that afflict industrialized nations or those of the developing world.

"That is why the AFL-CIO attaches great importance to the work of the Trade Union Advisory Committee to the Organization for Economic Cooperation & Development," he said.

Through TUAC, labor movements of the two dozen OECD nations can pursue proposals to end massive unemployment and solve other economic problems, Williams observed.

# North Dakota delegates push recovery goal

Bismarck, N.D.—Delegates to the North Dakota AFL-CIO convention here signaled their determination to better serve, protect and organize the state's workers through stepped-up efforts in the community, at job sites and in the legislature.

Acknowledging that national economic and farm policies have dealt North Dakota a stiff blow over the last two years, the delegates to the three-day meeting encouraged state federation leaders to aid all proper efforts to offset the hardships brought by mounting job losses and to shore up the state's economic potential.

President David L. Kemnitz said he was encouraged "by the solidarity that has grown among union members in these hard times." He reported to the convention that the "initiative and willingness of the state's union members" were clear throughout this year's session of the legislature, when a large number of volunteer lobbyists turned out to help push labor's legislative program.

Director Alan Kistler of the AFL-CIO Dept. of Organization & Field Services told the delegates that while the AFL-CIO's new report, The Changing Situation of Workers and Their Unions, lays out tough challenges for the labor movement, it also outlines areas of opportunity to develop and expand into a much larger "union family."

## The real culprit

Kistler said the membership decline in recent years is the result of changing economic forces, not a loss of faith in the union approach. "We haven't lost members because of disaffection; we've lost members because they haven't had jobs," he stressed.

Kemnitz, an Electrical Workers' member, was elected to a second two-year term as president. IBEW member James McLaughlin of Dickenson was elected first vice president, and Myron Yantzer of Mandan, a United Transportation Union member, was elected secretary-treasurer, replacing UTU member Robert A. Donegan of Jamestown, who did not seek re-election.

The delegates also re-elected two incumbent vice presidents and chose four new vice presidents: Terry Busse, a member of the IBEW in Walhalla; James Weisenberger, State, County & Municipal Employees, Grand Forks; Gary McKenzie of Fargo, Plumbers & Pipefitters; and David Gienger, a member of the Communications Workers and president of the Jamestown Central Labor Council.

Gov. George Sinner and Sen. Quentin Burdick were the principal speakers at a convention banquet honoring outgoing Sec.-Treas. Donegan, who retired after two decades in the post.

# Farm union wins bargaining order despite vote loss

Sacramento, Calif.—The California Supreme Court has upheld the power of the state's Agricultural Labor Relations Board to require a grower to bargain with the Farm Workers, even though the union did not win a secret ballot election.

In a 5-2 ruling against HCS, a grower of table grapes in the Coachella Valley, the court upheld the ALRB's certification of the Farm Workers and its subsequent order to bargain, after the board had found HCS guilty of committing some 30 unfair labor practices.

Those violations included acts of violence against union organizers, firings of union supporters, threats of discharge and deportation, surveillance of union activities, interrogation of workers, an illegal wage increase and an election-eve promise of better working conditions. The workers in the June 27, 1977, election voted down representation by the UFW, 88-80, with 142 challenged ballots.

## Bargaining order

The court cited a 1969 U.S. Supreme Court ruling in the Gissel Packing Co. case in upholding the ALRB. It observed that the California labor law, like the Taft-Hartley Act, neither expressly authorizes nor prohibits the "issuance of 'Gissel bargaining orders'—that is, an order issued as a remedy for egregious employer unfair labor practices in the absence of an election won by the union."

The majority opinion said, "Where an employer forecloses the possibility of holding a free and fair election by committing egregious unfair labor practices, a bargaining order may be the only way to ensure worker self-determination.

"Were we to construe the ALRA's mandate for secret ballot elections to prohibit the board from issuing remedial bargaining orders, we would, in essence, be transforming the workers' most effective shield into the employers' most formidable sword."

The court held the signed UFW authorization cards were reliable enough to support the bargaining order. It rejected the grower's contention that enough time had passed and the extensive worker turnover had dissipated the "taint" of past company actions so that a fair election could now be held.

# *HUD moves to undo home losses*

Bowing to a federal court order, the Dept. of Housing & Urban Development began a nationwide search to locate thousands of families who lost their homes because of what the AFL-CIO labeled a "miserly policy" toward the jobless and others in financial straits.

From the beginning of 1980 through mid-1984, HUD imposed a harsh system of temporary mortgage assistance to replace a more lenient procedure which, in the past, had made it possible for financially strapped families to hold onto their homes.

The U.S. District Court for Northern Illinois ruled in June that HUD had improperly applied eligibility requirements which resulted in up to 35,000 homeowners being rejected for mortgage assistance. It directed the federal government to take immediate remedial steps.

## Financial harm

The homeowners involved "were done an injustice and suffered financial and housing hardship" because of HUD's actions, Henry Schechter, director of housing and monetary policy for the AFL-CIO, said.

"Some of the insured homeowners will never be compensated in any way," he noted, "and there can be no way of erasing the family housing hardships that many needlessly suffered."

In the past, the problems of financially troubled homeowners were dealt with by having lenders assign the insured mortgages to the Federal Housing Administration, which then worked out a repayment schedule until homeowners got back on their feet.

HUD replaced this with a scheme whereby the lender held onto the mortgage, instead of assigning it to FHA. Assistance payments were limited to 18 months and were covered by a second mortgage.

To comply with the court order, HUD has begun a major outreach program to find the victims of its procedures and try to remedy the injustices that resulted.

The department said it will reconsider applications for mortgage assignment if foreclosure is pending. If HUD now owns the property, no sale will be made until eligibility under the pre-1980 system has been determined.

If the family's home cannot be recovered, HUD will try to offer the owner a comparable home, and if that is not possible, the homeowner may receive a sum of money as compensation.

# Council okays Article XX extensions

Pittsburgh—The AFL-CIO Executive Council, at its summer meeting here last month, approved the request of the State, County & Municipal Employees for extension of Article XX protection of bargaining relationships in several units beyond the initial five-year period.

The extensions are granted where active organizing efforts continue, but election petitions cannot be filed because of contract restrictions or other rules.

Requests for initial extensions were granted to AFSCME until February 1987 for Minnesota State Employees Unit 14; August 1986, Buffalo Sewer Authority, and August 1986, Michigan 36th District Court (probation officers).

Further extensions were granted for Billings, Mont., city employees until February 1987 and Montana State Penitentiary employees until August 1987.

Requests for further extensions also were granted until August 1986 for units in Illinois of clerical workers at Northern Illinois University and Governor's State University and Macomb municipal employees; in Massachusetts for Lawrence city employees, State Employees Unit 5 (Metro District Police) and Unit 9 (engineers); in Missouri for Jackson County jail and juvenile court employees; in New York for Cheektowaga town employees; and in Connecticut for Community College Professional Employees.

# EDITORIALS

## The ILO Conventions

OF THE COUNTRIES with comparable years of ILO membership, only one—El Salvador—has fewer ratifications of ILO conventions than the United States. By contrast, the Western European members of the European Economic Community have an average of 70 ratifications and some have more than 100.

Of more critical importance is the fact that a nation that prides and proclaims itself as a champion of human rights has ratified none of the basic human rights conventions.

Our failure to ratify such conventions as those on tripartism, freedom of association, collective bargaining, forced labor and slavery has weakened our position not only in the ILO but throughout the world. It hampers and obscures our role as the leading spokesman for freedom, democracy and human values in the world, and places a propaganda weapon in the hands of enemies of those values.

The familiar excuse offered over the years for this record of non-ratification—that it is due to our federal structure—is overdone. Other comparable federal countries have ratified a respectable number of conventions—by way of example, Australia (43), Canada (26), Federal Republic of Germany (66) and India (34).

MOREOVER, the federal structure is not the real reason for our non-ratification record. Rather, it stems from the resistance by employer organizations because ratification would involve a supervisory scrutiny of our democratic laws and practices and involve some of our domestic labor standards. Their position on tripartite consultation is a classic example. This convention poses no federal-state conflict of jurisdiction whatsoever. Their real argument is that it would open the door for other ratifications.

Such an argument insults the integrity and judgment of the branches of government which must deal with consideration of ratification, including the U.S. Senate by a two-thirds vote. If such an evaluation on the merits can hurdle the obstacles presented in all of these bodies, they should be ratified whatever their number.

We are now engaged in the ILO in a continuing struggle over standard-setting. The Soviets are attempting to dismantle these procedures, as well as to weaken one of the most prestigious bodies in this field, namely the Committee of Experts dealing with the application of conventions and recommendations. We have been successful so far in blocking these maneuvers, but for how long? Our position would be greatly strengthened if the United States had a better record on ratification.

The United States has been subjected to an ever-increasing barrage of stinging criticism for its ratification record—not only from the Soviet bloc but also from our Western European allies and Third World countries.

OUR FRIENDS throughout the world cannot understand our failures to ratify not only conventions on freedom of association and collective bargaining, but especially such conventions as forced labor (which we helped to draft) and slavery!

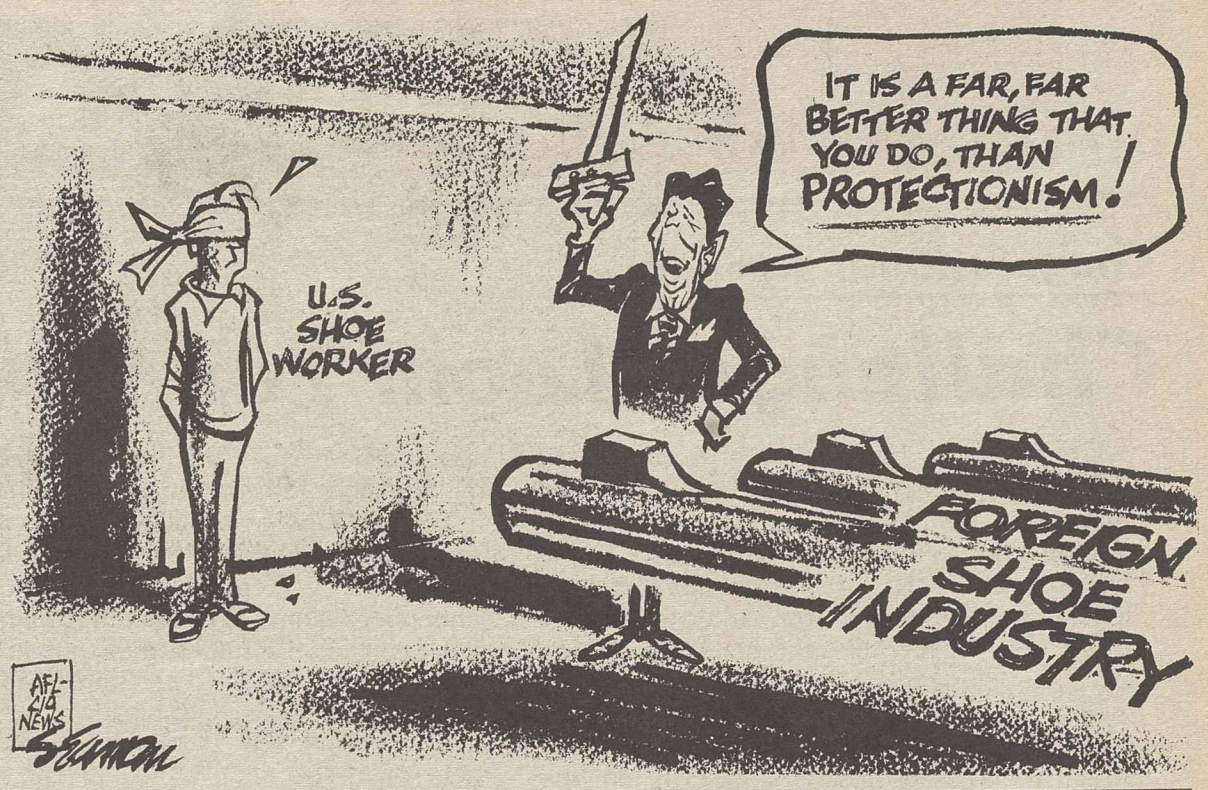
Isn't it a mockery before the world that a nation which went through a civil war over the issue of slavery has not ratified an international convention on slavery? It is even more puzzling to our friends, inasmuch as we implement these conventions in practice in the field of industrial relations, employment and civil rights.

From a purely political standpoint, the excuses offered by the United States are wearing so thin that these friends and allies in the ILO are becoming increasingly embarrassed and even annoyed with the moralistic criticism of the performance of other countries under ratified conventions when we continue to do nothing ourselves about ratification.

The failure to ratify conventions already prevents the United States from introducing any complaints against any other government on these conventions. The United States is thus reduced to being able merely to associate ourselves with other governments on many issues that are and have been vital to the national interest.

We believe that it is imperative in the interests of our global obligations and aspirations to put an end to this stagnation of United States ratification of ILO conventions and seriously attempt to ratify some of these basic human rights conventions.

*—From testimony by AFL-CIO President Lane Kirkland before the Senate Labor Committee, Sept. 11, 1985.*




**Washington Window**

# Rhetoric masks inequity in Reagan's tax reform

**By Press Associates, Inc.**

President Reagan, speaking on Labor Day in Independence, Mo., in front of a bronze statue of Harry S. Truman, called the current tax reform system "unfair, unworkable and unproductive," comparing it to a "daily mugging."

Reagan contrasted the current tax code with his "tax reform" proposals. "Our fair share tax program is a good deal for the American people," he declared, adding that it would mean "more justice, more equity for every American."

White House officials said Reagan will make his tax plan the centerpiece of his domestic "fall offensive" and campaign for it across the nation.

Congressional leaders of both parties said they will try to move a tax reform package through Congress by year's end. However, returning to Washington after the August recess, members of Congress said their constituents back home had expressed skepticism about the prospects of genuine tax reform as well as criticism of major elements of the Reagan plan.

Reagan's ringing appeals for tax "reform" and his populist-sounding attacks on his plan's "special interest" opponents won't be enough to push it through Congress if the American people keep probing beneath the rhetoric.

### Loopholes for rich

Recent Harris and Roper public opinion polls show that public support for tax reform is founded on overwhelming agreement that corporations and high-income individuals "pay too little in federal income taxes" and that "the rich tend to get out of paying taxes by using accountants and lawyers."

But the Reagan tax program enacted in 1981 made the tax system less fair by skewing tax cuts in favor of corporations and the rich. The current Reagan tax plan, despite a few worthy provisions, basically means more of the same, plus additional tax burdens for millions of middle-income Americans.

A recent study by Citizens for Tax Justice (CTJ) said Reagan's plan "would not only fail to put most tax-avoiding corporations back on the tax rolls, but would, as the Congressional Budget Office has concluded, 'probably provide a corporate tax cut over time.'

"It calls for a new brand of accelerated depreciation that is even more generous and costly than our current system. It would target tax relief to the most well-to-do households, with those earning $200,000 or more a year receiving a 10.7 percent tax cut," the report said.

### Little change

While Reagan claimed in his Labor Day speech that "silly or unproductive tax shelters will be eliminated in our tax reform," the CTJ study noted that "it would leave intact most of the loopholes which make both corporate tax avoidance and upper-income tax shelters possible."

The report, which surveyed 275 major corporations, found that 50 of these companies paid no federal income tax during the 1981-84 period. Despite about $57 billion in pre-tax profits, these 50 corporations received net tax refunds from the Treasury totaling $2.4 billion.

Titled "Corporate Taxpayers and Corporate Freeloaders," the report showed that 126 of the 275 companies paid an effective tax rate of 12 percent or less during the past four years, considerably less than the rate paid by the average individual taxpayer.

Boeing was the leading corporate tax avoider between 1981 and 1984, managing to generate refunds of $285 million on profits of more than $2 billion. Six other companies—Dow Chemical, ITT, Tenneco, Santa Fe Southern Pacific, Pepsico and General Dynamics—each received net refunds of more than $100 million over the four-year period, the report said.

It's now up to Congress to fashion real tax reform to make corporations and the wealthy pay their fair share and, to borrow the President's description, put a stop to this "daily mugging."

AFL-CIO news

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# AFL-CIO LEGISLATIVE ALERT!

## *Congressional Agenda:*

# *Challenges Loom For Workers This Fall*

Congress is back from its recess to begin dealing with many issues that are important to middle class America's pocketbooks, rights and dignity. The **Legislative Alert!** will follow these issues closely and keep you up to date on the latest developments as legislative action intensifies during the next weeks.

**TAXES**

At this time the proposal to tax your vital life-support benefits is still on the legislative agenda, despite the months-long campaign to kill this regressive and unfair tax. Also still on the so-called "tax reform" agnda is the elimination of the deduction of state and local taxes. It should be noted that despite Reagan Administration claims to the contrary, millions of taxpayers will be adversely affected if this deduction is eliminated, inasmuch as the latest figures show that 41% of all taxpayers now itemize their returns. The House Ways and Means Committee is scheduled to begin the mark up of this measure on September 23.

**TRADE**

Sentiment is rapidly growing in Congress for legislation that will roll back the tide of imports that is costing millions of American jobs. The AFL-CIO stresses that any trade bill should be comprehensive and not a quick fix that glosses over long-term problems. Specifically, labor is backing these four major trade bills:

**H.R. 3035, S. 1449 -- The Trade Emergency and Export Promotion Act**

**H.R. 1950, S. 1356 -- The Trade Law Modernization Act**

**H.R. 1562, S. 680 -- The Textile and Apparel Trade Enforcement Act**

**H.R. 1926 -- the Trade Adjustment Assistance Amendments of 1985**

(See the 9/2/85 issue of the **Alert!** for full details.) It is important that any legislation meant to deal with this crisis include the language contained in these bills.

**BUDGET**

As it now stands, it is unlikely that any appropriation bill will be signed into law before September 30, the end of the fiscal year. As a result, it is probable that all appropriations funding will be carried in a massive continuing appropriations resolution. Tell your Congressmen that you are opposed to any last-minute amendments to this continuing resolution that would further cut back or eliminate programs that benefit working people, the poor or the elderly.

**GARCIA**

As reported in the last two issues of the **Alert!** damaging legislation is pending in Congress that would reverse the Supreme Court's Garcia decision that extended to all state and local public employees the minimum wage and overtime provisions of the Fair Labor Standards Act. Specifically, tell your Senators and Representative that you are opposed to S. 1570, sponsored by Sen. Don Nickles (R-OK), chairman of the Senate Labor Subcommittee, which would overturn the Court's decision. Hearings were held last week.

**IMMIGRATION**

Two specific bills dealing with the thorny problem of illegal immigration will get a great deal of attention. S. 1200 sponsored by Sen. Alan Simpson (R-WY), falls short in three out of four areas deemed necessary by the AFL-CIO for effective and fair immigraton reform. Only its sanctions provision is considered acceptable. The other measure, H.R. 3080 sponsored by Rep. Peter Rodino (D-NJ), Chairman of the House Judiciary Committee, goes further in meeting these basic criteria but needs to be improved in some important areas.

**SOUTH AFRICA**

Bipartisan efforts to stop a filibuster of H.R. 1460, the Anti-Apartheid Act of 1985, failed in the Senate. Differing versions of the bill had been passed by both houses of Congress and a compromise version had been approved in conference and passed by the House. Only final Senate approval was needed to send the bill to the President. Though not as far-reaching as they should be, the sanctions contained in this bill would send a clear signal that the United States will no longer tolerate the racist and oppressive policies and practices of the South African government. Attempts may be made to attach the language of this bill to a continuing appropriations measure or to the debt-ceiling bill, which has to be passed in the next few weeks.

**CIVIL RIGHTS**

Congress will be continuing its work on H.R. 700 and S. 431, which would reverse the Supreme Court's infamous Grove City decision which gutted the provisions of Title IX of the Education Amendments of 1972, and undermined 20 years of federal civil rights law. Tell your Members of Congress that you support H.R. 700 and S. 431, which would reverse the Grove City decision.

AT the same time inform them that you are opposed to S. 272, which is much narrower in scope and does not reestablish the broad civil rights protections which existed prior to the Supreme Court action. If the Grove City decision is not overturned, thousands of women, disabled, aged and minority persons will find themselves without remedy in the face of discriminatory practices.

**PLANT CLOSINGS AND DOUBLE BREASTING**

The AFL-CIO will also be continuing its efforts to get H.R. 281 and H.R. 1616 passed by the full House of Representatives. H.R. 281 would restrict the insidious practice of double-breasting, while H.R. 1616 would among other things require employers to give 90 days' notice before closing a plant or making permanent layoffs. Urge your Representative to cosponsor these crucial worker-protection measures.

## *Now Is The Time*

## For Your Representative To Stand Up -- And Sign Up -- Against The Taxation Of Life-Support Benefits

★★★★

**The writing of a new tax law is about to begin. Despite a massive flow of mail and many polls showing that Americans are opposed to any taxation of employee benefits, the tax-writing House Ways and Means Committee has before it a proposal to tax these vital benefits.**

**Now is the time that a strong signal must be sent to the tax-writing committee that these benefits not be taxed.**

**There is one way to send that signal: A bipartisan "Sense of the House" resolution is being circulated for signatures among Members of the House of Representatives. Members who sign that resolution are thereby declaring their opposition to such a tax and telling the tax committee that the final tax bill must not include such a tax.**

**The more Members who sign the resolution, the more emphatic is the signal to the tax-writing committee. Your Member's name on this resolution is critically important.**

**Virtually every strata of America is in full opposition to this tax--senior citizens, business, consumers and working people. The only support comes from the tax-raisers who drafted the proposal.**

★★★★

***Urge Your Representative To Co-Sponsor This House Resolution Today!***

**Have Him Call Or Write You When He Has Signed Onto The Resolution. Members May Put Their Names On This Resolution By Calling Congressman Augustus Hawkins' Office at 225-6808.**

AFL-CIO news

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# Foreign debts erode vitality, labor warns

By James M. Shevis

Mounting debts abroad threaten the country's economic vitality, the AFL-CIO warned as the United States slipped into debtor nation status for the first time since World War I.

"More and more of the nation's income must be used to pay interest and to repay the debt owed to foreigners," Federation Research Director Rudy Oswald said.

"Meanwhile, the heavy flood of imports displaces American workers. The longer term costs are shifted to tomorrow, but they must be paid through higher interest rates, inflation, or recession."

Oswald's comments came after the Commerce Dept. announced that the nation's current account in its trading with foreign countries ran $31.81 billion in the red during the first quarter of 1985.

The deficit total was the second largest on record, nearly equaling the $32.5 billion gap in last year's third quarter.

"While the Reagan Administration preaches to the rest of the debtor countries through the International Monetary Fund that those nations must reduce their imports and expand their exports, it rejects that same prescription for the United States," Oswald said.

## Imbalance grows

"As the trade deficit mounts to $150 billion in 1985, the Administration rejects any meaningful actions to reduce that deficit," he said, calling this posture the major contributory factor "pushing the country into its debtor status."

The Commerce Dept. report on the nation's balance of payments, or current account, showed that foreign investors—governments, industries and individuals—increased their holdings in the United States by $39.5 billion in the first half of this year and by $25.8 billion in the second quarter alone.

The U.S. balance of payments deficit last year was $101.5 billion. For the first half of 1985 it is already at $62.1 billion.

Other government reports indicated the economy is at no better than a standstill.

- Retail sales rose 1.9 percent in August, the Commerce Dept. said, but the gain was heavily influenced by cut-rate auto financing programs.
- The Federal Reserve Board reported that industrial production rose a skimpy three-tenths of 1 percent last month.
- Along with the disappointing sales and output figures, the government reported a reduction in corporate capital spending plans. The Commerce Dept. said U.S. businesses plan to scale back spending for new plant and equipment for the rest of this year to an increase of only 5.8 percent, down

Continued on Page 4

MEMO FROM COPE
PAGE 8

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9/21/85

# Kirkland spurs action to combat trade crisis




**Strike interlude**

While strikers fiddled, negotiators hammered out an agreement between the Musicians and Kennedy Center in the nation's capital, ending a 10-hour walkout. At issue was guaranteed employment for 61 tenured orchestra members. The accord was reached after a marathon bargaining session, and the intervention of Theatrical Stage Employees and Hotel Employees & Restaurant Employees. The impromptu outdoor concert featured pickets in formal dress performing Haydn String Quartet.

## *Hits Reagan's 'indifference' to import tide*

By Gene Zack

"Plant closings, bankruptcies, farm foreclosures and recessionary unemployment levels" are the bitter harvest America is reaping because of the Reagan Administration's "studied indifference" to the rising tide of imports and the decline of American exports, AFL-CIO President Lane Kirkland told Congress.

Testifying before a House Ways & Means subcommittee in support of emergency trade legislation, Kirkland decried the "sharp deterioration" in the country's international economic position, declaring that it has had "a profound and negative impact on scores of domestic industries and millions of American workers."

The "realities of international commerce" are well known to "the Maine shoemaker, the Ohio machinist, the Kansas farmer, and even the so-called high tech worker in Silicon Valley," he said.

### Recognition of problem

Congressional recognition of the dimensions of the problem, which is driving America's trade deficit to a record $150 billion level this year and has made the United States a debtor nation for the first time since 1914, "stands in sharp contrast to what can only be viewed as studied indifference on the part of the Administration," Kirkland told the subcommittee.

Kirkland said the proposed Trade Emergency & Export Promotion Act could form the "foundation of a new national policy that will begin to reverse America's precipitous decline in international trade."

The measure was introduced in the House by Ways & Means Committee Chairman Dan Rostenkowski (D-Ill.) and Rep. Richard A. Gephardt (D-Mo.).

The legislation, which has 88 bipartisan cosponsors in the House, would restrict injurious imports and seek equitable access to foreign markets for U.S.-made goods.

Kirkland rejected Administration claims that legislation to defend and promote U.S. industrial production would "trigger a worldwide economic collapse," asserting that in a world where trade and investment

Continued on Page 3

# Senate flip-flops, votes new 'bracero' scheme

In a backsliding flip-flop, the Senate voted 51-44 to open the nation's borders to a flood tide of foreign workers to pick, process and pack perishable agricultural products, after having defeated the proposal only a few days earlier.

The AFL-CIO branded the action a scheme for a "new bracero program" which would undercut the government's role in "protecting job opportunities for American workers and decent job standards for foreign workers."

In a letter to all Senators prior to the vote, Legislative Director Ray Denison warned that the amendment would undo present provisions of law which permit the temporary importation of so-called guestworkers "only if unemployed persons capable of performing the needed labor cannot be found in this country."

The amendment to pending immigration legislation was introduced by Sen. Pete Wilson (R-Calif.) with the backing of a powerful West Coast agricultural lobby. It would permit up to 350,000 aliens to cross the border at any one time to work in fields and packing facilities.

### Unregulated flow

Denison warned that it would lead to "an essentially unregulated flow of aliens" who could "come to this country on their own and hunt seasonal agricultural work."

The Senate action also came under attack from Rep. Peter W. Rodino, Jr. (D-N.J.), chairman of the House Judiciary Committee and chief sponsor of immigration legislation pending in the House. Declaring that he was "deeply disappointed" by adoption of the Wilson amendment, Rodino added:

"I continue to be adamantly opposed to any massive importation of foreign agricultural labor which can seriously jeopardize the job opportunities as well as the wages and working conditions of American farm workers."

Sen. Howard Metzenbaum (D-Ohio) said there was no evidence that corporate farmers have tried to hire American workers. "What kind of Senate are we that we not only let imports take American jobs, but let foreign workers come in?" he asked.

Sen. Paul Simon (D-Ill.) pointing to last year's 13.5 percent level in agricultural sector unemployment, challenged what he said was a "virtually open-ended" program to admit a massive number of foreign workers. Simon won Senate agreement to phase the program out at the end of three years.

The AFL-CIO has set four criteria which

Continued on Page 4

# Urban wage gains slacken, barely keep pace with COL

The average annual pay of workers in metropolitan areas edged up only 4.7 percent in 1984, barely keeping ahead of the increase in the cost of living.

The Bureau of Labor Statistics reported that this was the third consecutive year of a slowdown in the rate of growth in wages. In 1981, before the full impact of the Reagan recession made itself felt, wage gains averaged 9.1 percent. They slipped to 6.8 percent in 1982 and 5 percent in 1983.

BLS said the average annual wage in all metropolitan areas inched upward to $19,028 last year, while for the nation as a whole the average wage was $18,350.

Overall, workers in "right-to-work" states stayed at the lower end of the pay scale. Workers in more unionized states fared better.

Trailing far behind the national figures were Jacksonville, N.C., with an average wage of $11,769; McAllen-Edinburg-Mission, Tex., with $12,389, and Naples, Fla., with $12,951—all open shop states.

Earlier this year, BLS reported that workers represented by unions earned on the average $5,200 a year more than non-union workers.

The highest average annual pay of $27,994 was recorded in Anchorage, Alaska, a high cost-of-living area. It was followed by Flint, Mich., where generally high wages in auto manufacturing and other

Continued on Page 6

# Nabisco pact yields $1.42, sets pattern

San Diego—A two-year agreement, covering 9,000 workers at Nabisco Brands and setting a pattern for the biscuit and cracker sector of the baking industry, was hammered out by the Bakery, Confectionery & Tobacco Workers.

The negotiations with Nabisco, the largest single employer under contract with the BCT, were the first since the company's merger with R. J. Reynolds Industries earlier this year.

The union said the total package of benefits, negotiated by representatives from 13 BCT locals, is worth $1.42 an hour for the production and maintenance workers covered by the agreement.

Workers will receive wage increases of 50 cents an hour, in three steps, during the first year of the contract, plus a $1,000 lump-sum payment, equal to 50 cents per hour, effective Sept. 1, 1986.

The pact also calls for Nabisco to increase its pension contribution by $25 a month in each of the two years of the contract, bringing the pension level to $650 a month by March 1987.

The union won company agreement to pay the entire cost of health benefits, with major medical coverage subject to deductibles of $200 per individual and $300 per family, effective this November.

The BCT also negotiated an increased night premium, an improved funeral-leave clause, and new starting and stepping-up procedures.

The contract, which was overwhelmingly ratified by members at the 13 Nabisco bakeries involved, was negotiated by a team headed by BCT Vice President Patrick D'Angelo and International Rep. Robert Oakley.

# Dotson's bugaboo

**Facing an embarrassing court challenge, National Labor Relations Board Chairman Donald L. Dotson has decided that a union printing "bug" on a collective bargaining contract has more than just "symbolic value."**

**With Dotson's turnaround, the NLRB dismissed an unfair labor practice complaint against a Kansas City local of the Electrical Workers.**

**Last May, the board held that IBEW Local 1464 committed an unfair labor practice in refusing to sign a 1980 contract with Kansas City Power & Light Co. that lacked a union label.**

**The board's 2-1 ruling rubberstamped an opinion by NLRB General Counsel Rosemary Collyer. But it was in jeopardy of being overturned in the U.S. Court of Appeals for the District of Columbia.**

**The company filed the complaint even though it had pledged that contracts with the IBEW would carry a union bug.**

**In switching his vote, Dotson joined member Patricia Diaz Dennis in upholding an administrative law judge's ruling that recommended the power company's complaint be thrown out.**

**"No matter how trivial the (NLRB) general counsel and the employer view the bug, the union should not be forced to forfeit what it secured during negotiations," ALJ Jay Pollack wrote.**

**Former NLRB member Robert P. Hunter, who left the agency Aug. 27, stood by his earlier decision. He insisted that the union violated the law by conditioning its signing of the agreement on the inclusion of the union bug on the contract.**

# *Oregon unions beat back sales tax for seventh time*

Salem, Ore.—Oregon voters resoundingly defeated a proposed 5-percent sales tax, a levy strongly opposed by the Oregon AFL-CIO's 30th annual convention at North Bend/Coos Bay.

Only 21 percent of the voters in the Sept. 17 special election supported the tax. It marked the seventh time since 1933 that Oregonians have voted against a sales tax. The state labor federation warned that the measure would unfairly burden the poor.

Delegates to the four-day convention adopted resolutions on a number of other issues vital to workers, elected officers, and heard from a slate of speakers.

President Irvin H. Fletcher and Sec.-Treas. Robert C. Baugh were re-elected to their third two-year terms without opposition. Both are members of the Teachers.

Gerald Greer of the Machinists was elected first vice president to succeed Earl Kirkland, who had held the post 18 years and did not seek re-election.

Arlene Collins of the State, County & Municipal Employees was elected second vice president to succeed Artha Adair of the Communications Workers, who also did not seek re-election.

Eleven members of the executive board were re-elected, and eight new board members were elected.

## Nellie Fox retiring

The federation did not elect a director of political education and legislation. That position, held by Nellie Fox, who is retiring after 10 years in the job, has been made an appointive one, and will be filled later this year.

Neil Goldschmidt, former Portland mayor and Secretary of Transportation during the Carter Administration, described Fox as a modern-day pioneer of women's rights, and praised her for her efforts to achieve them.

Besides the sales tax proposal, delegates passed measures calling for labor law reform, prohibition of raw log exports and restrictions on the importation of Canadian lumber, and a number of other domestic matters.

They also went on record favoring advance notice on plant closings, prohibition of tax incentives for companies to shift production abroad, and support for Idaho unions in their fight against "right-to-work" proposals.

Other measures called for enactment of a national industrial policy, improvements in the state's workers' compensation and unemployment insurance programs, and establishment of centers for occupational disease research and the dissemination of toxic exposure information.

Delegates also reiterated their support for boycotts against Coors beer and Louisiana-Pacific wood products and adopted resolutions advocating labor history studies in public schools and permitting state employees to serve in the legislature.

On the international front, the convention condemned South Africa's apartheid racial practices.

# Regional workshop explores international labor issues

New York—Trade union leaders from a four-state area participated in the first of four scheduled regional workshops exploring international issues affecting labor.

Cosponsored by the AFL-CIO's Departments of International Affairs and Organization & Field Services and the New York State AFL-CIO, the workshop centered on the federation's positions on some of the world's trouble spots—particularly South Africa and Central America, where workers are struggling to attain basic human rights.

The nearly 100 delegates included state and local labor officials from New York, New Jersey, Pennsylvania and Massachusetts.

International labor representatives attending the sessions were Phiroshaw Camay, general secretary of the Council of Unions of South Africa; Deputy Gen. Sec. Cristobal Aleman of the Union Communal Salvadorena, El Salvador; Mariano Gonzalez, president of the Confederacion de Trabajadores Hondurenos, Honduras; and Jose Espinoza, political affairs secretary of the Confederacion de Unificacion Sindical, Nicaragua.

International Affairs Director Irving Brown presented an overall perspective of labor's views on international developments directly involving workers.

Executive Director Patrick O'Farrell of the African-American Labor Center made a presentation on the struggle of black workers in racist South Africa and the emergence of the black trade union movement.

Executive Director William C. Doherty, Jr. of the American Institute for Free Labor Development discussed the situation in Nicaragua, Honduras and El Salvador, and showed a film clip on a May 1 worker demonstration in Managua broken up by police.

Service Employees President John Sweeney, a member of the AFL-CIO's Standing Committee on International Affairs, outlined the federation's criteria in formulating its international policy.

The second of the four workshops is being held this weekend in Detroit. The others will be in Dallas, Oct. 18-19, and in Anaheim, Calif., Oct. 26.



President Edward J. Cleary of the New York State AFL-CIO addresses regional workshop on international affairs.

# CWA asks equal access fees for phone carriers

The Federal Communications Commission should require equality in access charges for all long-distance telephone carriers because failure to do so would be "discriminatory," the Communications Workers told a Senate subcommittee.

CWA Vice President James E. Levine, head of the AT&T national bargaining unit, stressed that long-distance telephone companies other than AT&T are seeking further shelter "from the rigors of open competition in the marketplace."

Levine called on the FCC and the subcommittee to question AT&T's long-distance competitors about their apparently contradictory claims concerning service.

The CWA vice president pointed out that under the 1982 divestiture decision, AT&T's non-union competitors were given equal access to exchange networks and most equipment conversions will be completed by September 1986. In the interim, the non-union carriers have received various discounts on network access charges, originally paying no access fees. The FCC then granted these carriers a 65 percent discount, later reducing it to 55 percent.

Now, Levine noted, AT&T's competitors want to retain that discount, claiming that they will not be able to deliver the same quality of service offered by AT&T. At the same time, these carriers are telling the public "in print and broadcast advertising that their circuit quality and ease of dialing will be exactly the same as AT&T's."

Four of AT&T's major competitors filed a petition with the FCC in June requesting expedited rulemaking to grant them continued discounts on access charges. "There is no justification for the discount," Levine told the subcommittee.

Levine said that AT&T's recent announcement that it would lay off 24,000 workers from its Information Systems Division was related to the increased importation of telecommunications equipment, which has risen from 2 percent in 1982 to 14 percent in 1984.

He urged Congress to adopt effective trade policy legislation to bring fairness to the nation's marketplace.

# State cracks down on wage law chiselers

Olympia, Wash.—The State Dept. of Labor & Industries is starting to crack down on wage-chiseling contractors who violate Washington's prevailing pay law on state-funded construction projects.

For the first time in the 12-year history of the state's "Little Davis-Bacon Act," a contractor has been barred from bidding on state projects for violating the law.

Pride Drywall of Olympia was assessed $5,020 for shorting an apprentice painter in wages and benefits. A state administrative law judge who made the finding recommended debarment until the firm paid the full wages and benefits.

"We want companies to realize we're serious about enforcing the law," Assistant Director Don Anderson of the Dept. of Labor & Industries said. "Those who cheat get an unfair competitive advantage over honest firms and take advantage of the worker, too."

# *Kirkland spurs support for measures to counter job-destroying imports*

**Continued from Page1**

is almost universally managed by governments seeking maximum national advantage, "U.S. reliance on free trade theory as the foundation for public policy is not simply irrelevant, but harmful."

The trade crisis, Kirkland said, "is now striking at every point on the industrial spectrum, from labor-intensive to capital-intensive industries, high tech and low tech, from the oldest to the newest industries. No sector is immune."

The root causes of the trade deficit, he said, are the "unfair trade practices" of foreign governments, including non-tariff barriers, informal quotas, stringent inspection requirements, discriminatory standards, export subsidies and incentives, and other actions which make it possible to flood the U.S. market with foreign-made goods while denying American-made goods access to overseas markets.

Rejecting the claim that the problem can be traced to low productivity in American industry, Kirkland praised U.S. workers as "the most productive in the world." They are, he said, "better educated and have a deep sense of pride in the quality of their work."

The massive trade imbalance, he told the subcommittee, has been fueled to a large extent by the overvalued U.S. dollar, which has appreciated more than 60 percent against other currencies since 1980. This currency misalignment has "imposed severe costs on American industry and workers," Kirkland said.

"Should a $10-an-hour production worker take a pay cut to $4 an hour in order to restore his product's international competitiveness? Can any company cut costs and improve productivity as rapidly as the dollar has appreciated?" he asked.

"Continued pressure for Third World wages" in the United States, Kirkland warned, "will only result in a Third World economy" in this country.

Clayton Yeutter, the U.S. trade representative, told the subcommittee that the Rostenkowski-Gephardt bill and other trade legislation pending in Congress, would "punish the most efficient abroad and reward the less efficient in this country." He insisted that massive foreign retaliation would result if America sought to turn the situation around.

Kirkland disagreed sharply. Britain, he said, limits the imports of Japanese automobiles to 12 percent of the market, France to 3 percent, and Italy has a ceiling of only 2,000 Japanese-made cars per year.

There is no evidence, he said, that Japan has "retaliated against these countries" because of these restrictions.

### Countermeasures hailed

He praised the bill's provision directing the Treasury Secretary to control harmful fluctuations in the monetary exchange rate, and its requirement that countries with excessive trade surpluses either increase U.S. imports or cut back their exports to this country or face a 25 percent tariff surcharge on goods bound for the American marketplace.

However, in order to "pry open the markets of these countries," Kirkland said, the bill should be amended to take away from the President the authority to determine whether unfair trade practices abroad are the cause of these excessive surpluses.

A negative determination by the President would prevent the imposition of any sanctions. Citing the Administration's "track record" in relation to predatory foreign trade practices, he questioned whether there would ever be any finding that a given country is trading unfairly.

In addition to the Rostenkowski-Gephardt bill, Kirkland called for passage of other pending trade measures to deal with the crisis, including legislation to "tighten and streamline" laws to assist workers and industries injured by imports, and individual bills designed to aid the textile, apparel, telecommunications and shoe industries.



Kirkland at House foreign trade hearings with Legislative Director Ray Denison, left, and Research Director Rudy Oswald.

# Lockout victims win jobless pay in Pennsylvania

Harrisburg, Pa.—Idled workers at two Wheeling-Pittsburgh Steel Corp. plants in Pennsylvania are entitled to unemployment compensation benefits, the state's Bureau of Employment Security ruled.

The Steelworkers from W-P's Monessen and Allenport Works join nearly 4,300 USWA members in Ohio who earlier were declared eligible for jobless benefits. Ohio's employment services agency found that Wheeling-Pittsburgh had locked out its workforce when it canceled the USWA contract and tried to impose severe wage cuts. The union is still awaiting action on unemployment claims from West Virginia.

The Pennsylvania decision allows nearly 500 USWA members to receive weekly benefits of up to $224. Another 2,000 steel workers laid off by W-P before the nine week-old work stoppage began are already receiving jobless pay.

The steelmaker had sought a preliminary injunction to stop Pennsylvania, Ohio and West Virginia from processing claims of the 8,600 workers who have been off the job since July 21. That petition was denied by U.S. District Judge Glenn E. Mencer on Aug. 29.

USWA negotiators met with W-P representatives Sept. 10 for a one-day session at the behest of the Federal Mediation & Conciliation Service, but no further talks have been scheduled.

# James Stephens nominated for vacant Labor Board seat

James M. Stephens has been nominated a member of the National Labor Relations Board to succeed Robert P. Hunter, who resigned in August.

Stephens, 39, a Republican, had served as labor counsel to the Senate Committee on Labor & Human Resources since 1981. His nomination to the NLRB, which requires Senate confirmation, is for a five-year term.

AFL-CIO Associate Counsel David Silberman said that the federation has had limited dealings with Stephens and will examine his record before commenting on his qualifications.

If confirmed, Stephens would be the second Republican on the five-member board. Chairman Donald L. Dotson is the other. There are two Democrats, Marshall Babson and Patricia Diaz Dennis, and one independent, Wilford Johansen.

In announcing Stephens's appointment, President Reagan also nominated Roger D. Semerad as Assistant Secretary of Labor for employment and training; Jeffrey I. Zuckerman as general counsel of the Equal Employment Opportunity Commission, and Ford B. Ford as a member of the Federal Mine Safety & Health Review Commission.

Semerad, who is executive vice president of the Brookings Institution, has a background in labor issues, vocational education, manpower and refugee aid, and manpower training.

Zuckerman, EEOC's chief of staff since 1984, would succeed David L. Slate, who left the agency. Zuckerman's nomination to a four-year term requires Senate confirmation as does Semerad's appointment.

Ford, who has been Under Secretary of Labor since 1983, temporarily served as acting Secretary of Labor while former Labor Sec. Raymond J. Donovan was on a leave of absence prior to his resignation.

Reagan said he intends to designate Ford as chairman of the five-member review commission.

# Article XX sanctions placed on hospital workers' union

AFL-CIO President Lane Kirkland has notified all affiliates that the National Union of Hospital & Health Care Employees has been found to be in non-compliance with the decision of an impartial umpire under the AFL-CIO's internal disputes procedures and is therefore subject to sanctions under the federation's constitution.

The finding was reached by a subcommittee of the Executive Council consisting of Sec.-Treas. Thomas R. Donahue and Vice Presidents Lynn R. Williams and Kenneth T. Blaylock.

The finding, Kirkland said, follows from decisions of the impartial umpire and the Article XX Appeals Committee that the Hospital & Health Care Employees' "ongoing participation in representation proceedings concerning the Mental Health and Mental Retardation Institutions, State of Ohio, violates Article XX, and from NUHHCE's refusal to withdraw from those proceedings."

In his notification to affiliates, Kirkland said the union, effective Sept. 16, 1985, will be subject to the following provisions of Section 15 of Article XX of the AFL-CIO Constitution:

"1. The non-complying affiliate shall not be entitled to file any complaint or appear in a complaining capacity in any proceeding under this article until such non-compliance is remedied or excused as provided in Section 16;

"2. The federation shall, upon request, supply every appropriate assistance and aid to any organization resisting the action determined to be in violation of this article;

"3. The federation shall appropriately publicize the fact that the affiliate is not in compliance with the constitution;

"4. No affiliate shall support or render assistance to the action determined to be in violation of this article."

In addition to the Hospital & Health Care Employees, two other affiliates remain in non-compliance with an impartial umpire's decision and subject to Article XX sanctions: the International Typographical Union and the National Association of Broadcast Employees & Technicians.

# Shoe worker retraining called 'hoax'

The Reagan Administration, in an action organized labor branded "a cruel hoax," announced a $5 million job retraining program to aid 2,300 shoe workers facing permanent layoffs because of imports.

The plan made public by Labor Sec. William E. Brock was seen as an effort by the Administration to soften the blow of President Reagan's refusal last month to grant any import relief for the shoe industry.

Reagan ignored a unanimous finding by the International Trade Commission that the domestic footwear industry had been seriously injured by imports and that quotas were necessary to prevent further damage.

Since 1968, mounting imports of shoes have wiped out 120,000 U.S. jobs and forced the closing of 500 American shoe factories. Imports now account for 77 percent of U.S. retail shoe sales.

The Administrations program would provide an average of less than $2,200 a year for those workers expected to be laid off in the next 18 months because of unrestrained foreign competition.

"Even if the fund was adequate, which it is not, most shoe plants are located in areas with high unemployment and few jobs," Food & Commercial Workers Vice President Sam Delfino said. "In addition, many of the workers are older and are unlikely to be hired by new employers even if the jobs exist."

### Action needed

Calling the scheme a "cruel hoax," Delfino said "training is no substitute for a job, and an underfunded training program is no substitute for real action to protect American shoe worker jobs from uncontrolled foreign imports."

Arthur Gundersheim, assistant to the president of the Clothing & Textile Workers, said previous job training for shoe workers has been ineffective because of the shortage of jobs in shoe-producing areas.

Since 1979, he said, an estimated 22,000 shoe workers have been eligible for help under the Trade Adjustment Assistance Act, but fewer than 500 have completed training, and less than 250 have been able to obtain new jobs.

"These programs only work when there are real jobs available," Gundersheim said.

The AFL-CIO pointed out that the Administration "has cut back substantially on all training and trade-impact funds, and this isn't going to accomplish very much; $5 million doesn't go very far."

Brock said the program would be targeted at the 16 states that employ most of the nation's 110,000 remaining shoe workers. He called on governors of shoe-producing states to join in setting up retraining programs.

The program will concentrate on Missouri, with 15,200 shoe workers; Maine, 14,400; Tennessee, 10,500; Pennsylvania, 10,300; Massachusetts, 7,300; New York, 6,900, and New Hampshire, 6,400.

The Administration said the $5 million is in addition to $2.8 million spent in the last 20 months to aid 3,000 shoe workers left jobless because of the torrent of imports. from low-wage countries.

## Scott Hoyman retires, ACTWU names Sallee

Scott M. Hoyman has retired as executive vice president of the Clothing & Textile Workers and director of the union's textile division. The ACTWU executive board named Charles Sallee to replace him.

Sallee, who was an ACTWU vice president and director of its midwest region, had been assistant director of the textile division.




# *Rubber Workers hail founders, mark union's 50th anniversary*

Akron—Rubber Workers marked the union's 50th anniversary with a special celebration and a noon march through city streets to the old Portage Hotel, site of the union's founding convention.

Some 600 URW members and retirees paraded through the downtown area, stopping in front of the now-closed hotel for a brief ceremony and a chorus of "Solidarity Forever," before continuing past URW headquarters.

Three of the 49 original delegates to the founding convention on Sept. 12, 1935, were honored at the morning session, as speakers recalled the union's past and planned for its future.

Founding members John House and Walter Kriebel of Akron and E.L. Gray of Albertville, Ala., took part in the event. Only five of the 49 original delegates are living.

URW President Milan Stone praised the union's founders for their courage "in going to that convention in the first place and laying their jobs on the line." Stone said all URW members could take great pride in their union as "one of the most democratic institutions in the world."

House recalled that "back in those days, we knew what we wanted, had the determination to have it, got together and did it."

Mine Workers President Richard L. Trumka applauded that spirit and told the retired members their "efforts and willingness to struggle improved the lives of hundreds of thousands of workers" in the country.

Other speakers included Chemical Workers President Frank D. Martino, Industrial Union Dept. President Howard D. Samuel and URW President emeritus Peter Bommarito.

# Senate shifts on farm labor, votes new 'bracero' scheme

**Continued from Page 1**

it said any immigration reform legislation must meet: workable employer sanctions, protection against discrimination, generous amnesty for those who entered the country illegally but have now put down their roots, and no weakening of existing programs dealing with temporary foreign workers. The Senate version of the bill, Denison said, measures up only on the issue of employer sanctions.

As the Senate limped toward final passage of the immigration measure, there were these other developments on Capitol Hill:

● The Senate Finance Committee voted to raise the federal debt ceiling to $2.079 trillion—more than twice the limit when President Reagan took office in 1981. The higher borrowing capacity is needed to deal with the skyrocketing budget deficits racked up by the Administration.

● At the same time, the committee continued wrestling with a deficit-reduction package, voting a one-third hike in monthly Medicare premiums for the elderly effective in 1988, raising them from the present $15.50 to $20.80, and approved a one-year freeze on Medicare payments to physicians who refuse to follow Medicare fee schedules. The panel also voted to let the federal revenue-sharing program expire next year.

● Senate and House leaders conceded there was little chance for action this year on tax reform legislation. Although Speaker Thomas P. (Tip) O'Neill, Jr. (D-Mass.) said he expected the House to pass a tax bill before adjourning around Thanksgiving, Senate Majority Leader Robert J. Dole (R-(Kan.) said it was highly unlikely the Senate would have time to act before next year.

● Rep. Augustus F. Hawkins (D-Calif.), chairman of the House Labor Committee, launched a concerted drive for passage of a sense-of-the-House resolution opposing taxes on employee benefits. The bipartisan drive, which has already garnered 100 cosponsors, is aimed at blocking Reagan Administration efforts to tax health insurance, unemployment insurance, workers' compensation and black-lung benefits.

● The Senate Finance Committee unanimously approved a bill aimed at forcing Japan and other countries to open their markets to American-made telecommunications equipment, or else face the prospect of being barred from sending their equipment into the United States.

● The House Labor Committee approved a measure to raise from $2.60 to $8.50 the premium single-employer pension plans pay to the government-run Pension Benefit Guarantee Corp. The bill also reduces from 90 to 60 days the period for notifying unions and workers of proposed plan terminations.

● The Senate voted to create a new program to cope with the kind of toxic chemical disaster that killed more than 2,000 people last year in Bhophal, India. It would require the Environmental Protection Agency to identify extremely hazardous substances, and mandate industry to let states and communities know of the presence of such chemicals on their premises so that contingency planning could be undertaken to protect against acute hazards.

● A House Labor subcommittee approved a bill outlawing the use of polygraphs in private sector employment. The bill would bar employers from using so-called lie detectors in pre-employment screening, or to discharge or discipline employees. It provides a $10,000 fine for violators, and permits employees and prospective employees to sue for reinstatement, promotion, back wages and liquidated damages.

**Dues increased**

# Industrial Workers vote organizing funds

Pittsburgh—A major organizing effort supported by a special fund was approved by the 25th convention of the Allied Industrial Workers.

The 360 delegates and alternates voted to increase monthly dues by 50 cents, with half that amount going to the new special organizing fund. The increase raises the minimum dues for AIW members to $11.50 a month.

As part of the organizing program, the convention called for establishment of volunteer organizing committees, with representation from all locals, to help develop and define organizing targets, make contacts and provide other assistance for organizing staff.

AIW President Dominick D'Ambrosio called the volunteer committees the key to the success of the organizing program.

"Members are the best ambassadors of unionism and do a lot better job on a neighbor, a friend or a family member than any paid organizer," D'Ambrosio observed.

In his keynote address to the delegates, D'Ambrosio said he was optimistic about the AIW's future despite the loss of 112 locals since 1979 due to plant closings and the major challenges confronting the union.

## Greater strength

"I see more dedication and greater enthusiasm for our union than ever before," he said.

The convention celebrated the 50th anniversary of the union's founding on Aug. 26, 1935, as the United Automobile Workers. The original charter, as granted by the AFL, was unveiled on stage to climax a stirring labor history program on the convention's opening day.

Reminding the delegates that the union's birth came just eight weeks after President Roosevelt signed the Wagner Act into law, D'Ambrosio said this underscores the importance of political action to the progress of the AIW and the labor movement. The convention approved a resolution that would strengthen the AIW's "People-to-People" program, which was developed during the Mondale campaign last year and is patterned after the AFL-CIO's "One-on-One" program.

## Job drain

In an address to the delegates, AFL-CIO Sec.-Treas. Thomas R. Donahue focused on the devastation of American jobs being wrought by the flood of imported goods from low-wage countries. Donohue noted that President Reagan lately has been using the phrase "fair trade" as well as "free trade." He saw this as a sign that Reagan is growing aware that "the American people are fed up" with his trade policy that gives foreign goods unrestrained access to the American market but does not insist on the same treatment for U.S. exports.

Steelworkers President Lynn R. Williams also addressed the delegates and pointed to the common origins of the USWA and the AIW in the Depression era. And he cited the common challenges they face today. Despite the dire predictions of its enemies, Williams said, the labor movement "is not diminished." The same "deep-seated fervor and hunger for industrial democracy" can still be found in the hearts of workers, he declared.

AFL-CIO Vice President Joyce Miller, who heads the Coalition of Labor Union Women, observed that while women workers have come a long way, "they still have a long way to go." She noted that women now make up about a third of all union members, but they total only 7 million with 40 million remaining to be organized.'

## All affected

So-called women's issues in the workplace, she said, really affect all workers. Quality child care and worksites safe from chemicals that could damage the unborn "benefit both men and women," she stressed.

Rep. Charles Hayes (D-Ill.), a former vice president of the Food & Commercial Workers, noted that Congress is now considering legislation to ease the effects of plant closings on workers and their communities. He said that while there is little hope that a law will pass this session, "we have to at least try."

In major actions affecting the union, the delegates voted to strengthen its finances by diverting $1 of the current per capita payment from the strike fund to the operating budget, with 60 cents going to the regional offices and 40 cents to the international union. The payment will revert to the strike fund when that fund falls below $5 million and will again go into operating funds when the strike fund balance tops $5.5 million.

Among major resolutions adopted by the delegates were measures supporting:

● Effective programs to help contain the soaring costs of health care.

● Enactment of the Equal Rights Amendment and pay equity legislation to overcome wage discrimination against women and minorities.

● Coalitions linking labor and citizen groups on issues of common concern, including health care costs, occupational safety and health, the environment and women's rights.

● Improved school programs to inform young people about labor and its contributions to society, with particular support for Frontlash, the AFL-CIO's youth arm.

● The AFL-CIO call for strong U.S. sanctions against South Africa to bring pressure for the abolition of that country's racist system of apartheid.

# Foreign debts eroding U.S. economic vitality

**Continued from Page 1**

from an earlier estimated increase of 6.2 percent.

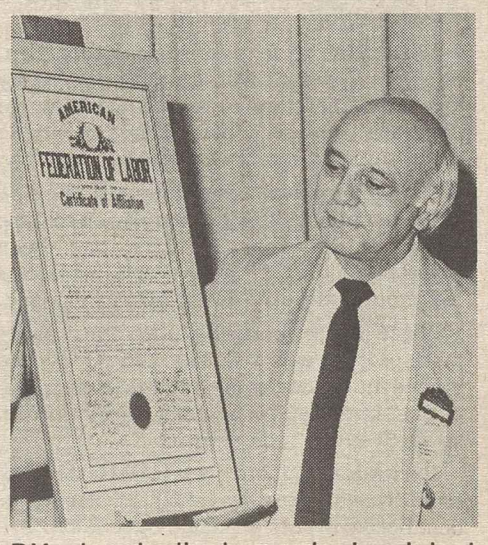
● The Fed reported that the operating rate of the nation's mines, factories and utilities was up one-tenth of 1 percent to 80.5 percent of capacity in August. The increase and a similar one-tenth of 1 percent rise in March have been the only increases this year.

There was better news from the Commerce Dept. on the housing industry. New starts rose 6.2 percent in August after declining 3.2 percent in July.

Similarly, the Bureau of Labor Statistics reported prices at the wholesale level were favorable, declining three-tenths of 1 percent last month.




AIW convention delegates gather around "birthday cake" display commemorating union's 50th anniversary.




At right, President D'Ambrosio displays union's original charter as United Automobile Workers.

# *Victims of imports plead for overdue remedies*

Clothing and garment workers from all parts of the country appealed to Congress for emergency legislation to rescue the textile and apparel industries from threatened destruction by a growing torrent of imports from other countries.

Some 46,000 American textile and needle trades jobs were wiped out by the import tide in 1984 and 66,000 additional jobs have been lost so far this year, the Congressional Textile Caucus estimates.

''If you let imports destroy the garment industry, where will people like myself find work?'' asked Wing Fong Chin at a recent hearing conducted by the caucus. ''How will we be able to feed our families?''

A member of the Ladies' Garment Workers employed at Futuristic Fashions in New York City, Wing said that except for the garment shops there are almost no places outside Chinatown where a non-English speaking immigrant can find work in New York City.

Other witnesses also cited the importance of the garment industry as a source of livelihoods for hundreds of thousands of immigrants since the mid-19th century. Anne Marazita, a sewing machine operator at Nancy Fashions in New Rochelle, N.Y., who has worked in the industry for 52 years, said it has been an ideal place for non-English speaking immigrants.

''It is a sad comment today,'' she said, ''that workers who only want to work cannot find this because our government allows countries who pay sub-human wages to dump their goods on our shores.''



Members of ILGWU and ACTWU tell Congressional Textile Caucus of devastating impact of imports on jobs in the apparel industry. They are Beverly Reed, Nilda Quintanilla, Anne Marazita, Elli Kuhns and Wing Fong Chin.

Marazita, who is president of the ILGWU's Lower Hudson District Council, said Westchester County, N.Y., once had 150 garment factories employing 5,000 workers. But thousands of jobs have disappeared in recent years as imports poured in from Taiwan, Bangladesh, India and other low-wage countries.

Needle trades jobs in other regions are suffering a similar fate.

Beverly Reed, a member of ILGWU Local 130 in Decatur, Ill., said the workers at the Decatur shop of R&M Kaufman Garment Co. granted a number of contract concessions to their employer, including a wage cutback to $4.60 and hour. But under the pressure of foreign competition, layoffs came anyway.

She said her company told the workers it ''could not compete with cheap imports and low foreign wages'' without help from the government. Garment shops throughout Illinois have been closing down since the 1970s, Reed noted.

''Imports have taken our jobs and our health,'' she said. ''They have taken our homes and our pride. Worst of all, they have taken away our futures and our dreams.''

The Congressional Textile Caucus heard similar reports from Elli Kuhns of the Clothing & Textile Workers, a former worker at the Arrow shirt plant in Elysburg, Pa., and Nilda Quintanilla, ACTWU chief steward at a Levi Strauss plant in McAllen, Tex.

Rep. Ed Jenkins (D-Ga.), caucus chairman, said the impact on American textile and apparel jobs is only part of the import problem.

''We hope to send the nation a clear signal that this domestic industry's losses cannot be self-contained,'' he said. ''Every American citizen will be affected.''

The caucus is pressing for enactment of the Textile & Apparel Trade Enforcement Act of 1985, which already has some 300 cosponsors in the House and 54 in the Senate. It would bring textile and garment imports down from the present penetration level of 50 percent of the American market to 38 percent. Imports from Far Eastern countries have grown about 19 percent a year instead of the 6 percent standard set by the Multifiber Agreement, which is up for renewal next year. They would be allowed to grow by 1 percent a year following the rollback to 38 percent.

# Unions urge extension of aid under trade adjustment law

Extension of the Trade Adjustment Assistance Act beyond its Sept. 30 termination date is essential to provide some measure of protection to millions of workers suffering layoffs because of imports, labor told a Senate Finance subcommittee.

''At a time when the U.S. trade deficit . . . has reached crisis proportions, an effective trade adjustment assistance program is needed more than ever,'' AFL-CIO Legislative Rep. Vincent Trivelli said.

Failure to reauthorize the program would ''be a second jolt to these unfortunate persons who lost their jobs due to U.S. trade policies and will now lose adjustment aid because of U.S. budget policies,'' Trivelli said.

''The commitments made to workers'' in trade adjustment legislation passed in 1962, 1974 and 1979, he said, ''must be honored, and effective assistance in the form of cash benefits, training, job search and relocation allowances be provided.''

Sec.-Treas. Jack Sheinkman of the Clothing & Textile Workers warned that, unless congressional action is forthcoming, ''workers will lose faith'' in the government's ability to deal with the nation's problems.

### Bitterness growing

''There is building an undercurrent of bitterness and hostility that will not only destroy faith in our general economic policies but undermine our foreign policy through an outgrowth of hatred toward'' other nations, Sheinkman said.

Steelworkers Legislative Director John J. Sheehan called TAA the only measure ''designed to assist workers, firms and communities to adjust to trade-imposed injury,'' adding:

''We are experiencing a 'trade shock' of mind-boggling size. Some can adjust easily to the shock; others can't. Investors can move their capital from a dying industry to growth industries overnight. Working people who have worked ten or 15 years in a plant have a deep investment in their homes and communities and have to start all over again.

''Their adjustment takes a long time because they have to begin it from within a deep hole. We hope that this proposal will give them a new lease on life and that the deep hole will not become a tomb.''

While the labor witnesses voiced support for legislation introduced by Sen. William V. Roth (R-Del.), they expressed concern about its requirement that workers be enrolled in job training programs before being eligible for benefits.

In many instances, Sheinkman said, displaced workers find no training available in their communities because some states have failed to fund local adult education programs. ''Fundamental to the success of any adjustment program is absolute assurance of income,'' he said.

''Clearly a worker who has lost a job needs income support while engaging in job search activities as well as while undergoing training,'' Trivelli said. ''Tying all assistance to training all but removes the concept of compensation.''

Sheehan pointed out that the linkage of assistance to job training ''assumes that all workers need training,'' when, in fact, many of them need only income maintenance to tide them over until they can make the transition to other employment.

The subcommittee was also urged to retain present provisions of law that continue trade adjustment assistance for 18 months. The Roth bill would reduce the aid period to only three months.

# Rail pension tax proposal scored

The AFL-CIO registered strong opposition to a scheme to levy higher taxes on railroad retirement benefits, warning it would have a harsh impact on 450,000 retirees, disabled workers and their spouses.

''There is no justification, equity or fairness in imposing . . . .a tax increase on a group of elderly citizens,'' AFL-CIO Legislative Director Ray Denison said in a letter to members of the Senate Finance Committee.

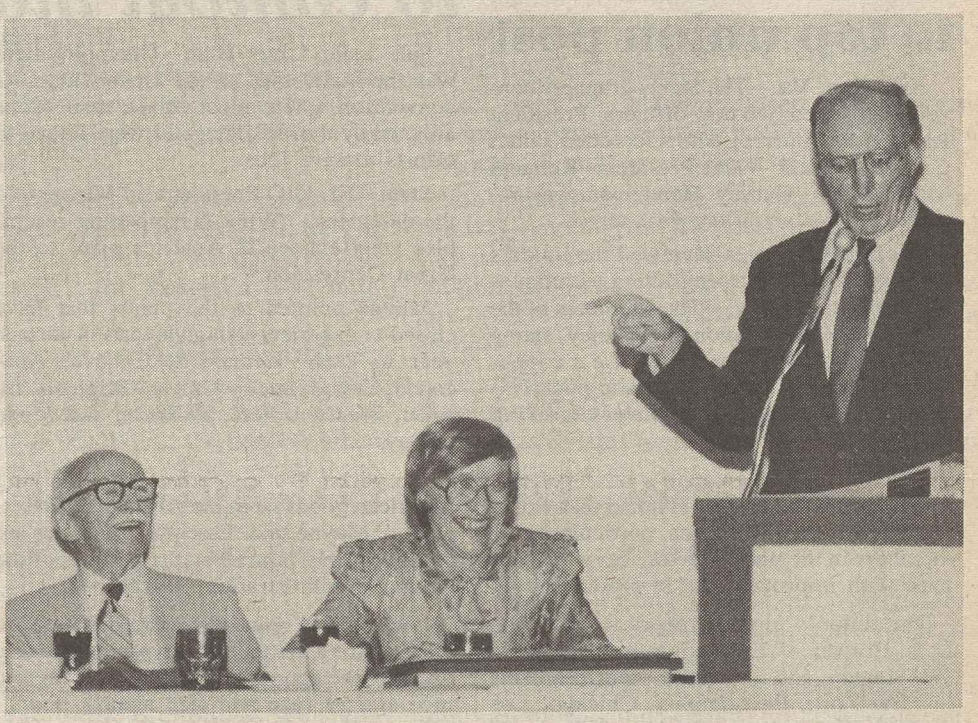
Under the proposal, Tier I railroad retirement annuities would be treated like private pensions for tax purposes, rather than like social security.

Existing law applies a complex formula to railroad retirement and social security benefits, with only a portion of such income being subject to taxation. The new proposal would scrap this approach for railroad retirees, subjecting their entire annuity to income taxes.

It would take $161 million from the pockets of Railroad Retirement Act beneficiaries over the next three years, Denison, said.

He noted that railroad retirees have already been hard hit by three previous attacks on cost-of-living adjustments to which they were entitled. ''One was delayed, one wiped out entirely and the last one reduced,'' Denison said.

The AFL-CIO also objected to an amendment mandating Medicare and social security coverage for state and local public employees not currently covered by the Social Security Act. Labor is on record in opposition to such mandatory coverage, Denison said, warning that it could have ''a significant impact'' on public employees.



Thomas R. Donahue and new Connecticut AFL-CIO President Betty Tianti with retiring state federation leader John Driscoll.

# Tianti succeeds Driscoll at helm of Connecticut Fed

New Haven, Conn.—Betty Tianti has been installed as president of the Connecticut AFL-CIO to succeed John Driscoll, who headed the state federation for 24 years.

Tianti, 56, was elected by acclamation to a two-year term at the State AFL-CIO convention. She had served as the state body's secretary-treasurer and legislative director since 1979. Earlier, she had been state COPE director and president of a Clothing & Textile Workers local in Danielson.

The 600 delegates also elected Barry Williams of the Teachers to a two-year term as secretary-treasurer.

At a dinner honoring Driscoll, AFL-CIO Sec.-Treas. Thomas R. Donahue praised the retiring 74-year-old state body leader as a ''dedicated, serious and tough trade unionist,'' who transformed ''a collection of disparate local unions into a unified state labor movement.''

Donahue cited Driscoll's long record of service to the union movement, noting that he had been an officer of the CIO or AFL-CIO state bodies for 47 years. He called Driscoll ''the architect and moving spirit of the Connecticut federation to the same extent that Sam Gompers was the architect of the AF of L.''

Donahue also scored the Reagan Administration's foreign trade posture, pointing out that Republican law makers have acknowledged Americans ''are fed up with the foreign trade practices of our so-called partners who have one set of standards for themselves while expecting us to live by another.''

He noted the growing alarm of congressional, academic and corporate leaders over the nation's trade deficit and observed that labor has been calling for fair trade practices for more than 20 years, only to be met with ''the scornful charge of protectionism.''

The delegates set in motion plans to strengthen the federation's legislative, organizing and political activities. The convention established a committee of 500'—union members recruited and designated by the federation's 45 vice presidents and officers to support the State AFL-CIO at hearings, rallies, strikes, meetings, and on picket lines throughout the state. Tianti said the group would become a network for building trade union activities throughout Connecticut.

### Local bodies study

The convention also drafted a study plan to explore ways to strengthen the state federation's 15 local central bodies.

''We need to help the central bodies because they are the front line troops and we want to give them the tools they need for the job,'' Tianti said.

A study committee will report its recommendations to next year's convention.

The delegates adopted a political action program for 1986 aimed at electing legislators ''who are responsive to the needs of Connecticut workers,'' Tianti stressed.

Tianti and Williams were sworn into office by Joyce Miller, president of the Coalition of Labor Union Women and an AFL-CIO vice president.



## Visitors from Far East

A tripartite delegation representing Japanese labor, government and industry and headed by Labor Minister Toshio Yamaguchi, center, wound up talks on trade and other issues with AFL-CIO President Lane Kirkland and International Affairs Director Irving Brown. The union delegation included, from left, President Akihiro Kawai of Japan's National Federation of Industrial Organizations; President Tadanobu Usami of the Japanese Confederation of Labor (Domei); Yamaguchi; President Takeshi Kurokawa of the General Council of Trade Unions (Sohyo), and President Mitsuharu Warashina of the Federation of Independent Union.

# Coordinated talks achieve gains for 4,000

The effectiveness of coordinated bargaining was proved by settlements with three major corporations over the past month providing substantial wage increases and improved fringe benefits for some 4,000 members of seven international unions.

The contracts were negotiated with GTE, General Signal and GAF in talks coordinated by the AFL-CIO Industrial Union Dept. IUD President Howard D. Samuel called the agreements "an encouraging sign that we may be coming to the end of the giveback days of collective bargaining."

The GTE settlement affects 2,900 workers represented by six unions at 10 of GTE's precision materials and lighting group facilities. Wage benefits over the three-year term include a 4 percent lump sum payment in the first year, either a 4 percent lump sum or a 4 percent pay increase (depending on location) in the second year, and a 4 percent increase in the third year.

In addition, the pension schedule was increased and early retirement provisions were improved to permit retirement with full pension at age 60 with 15 years of service. Supplemental benefits were added for workers choosing the early retirement option. Life insurance and sickness and accident benefits also were improved.

### Union coalition

Unions involved in the GTE bargaining were the Machinists, Electrical Workers, Electronic Workers, Auto Workers and the unaffiliated Teamsters and United Electrical Workers.

At General Signal, the IUE won an 8 percent wage increase over the next three years coupled with substantial improvements in pension, life insurance, accidental death and dismemberment and medical insurance benefits for 200 employees.

The GAF pact covers some 800 workers in four units of the Cement, Lime & Gypsum Division of the Boilermakers. They make building products at plants in South Bound Brook, N.J., Tampa, Fla., Savannah, Ga., and Mobile, Ala.

The accord provides for 5 percent wage increases in each of the contract's two years, plus improved pensions and life, accident and health insurance.

## Siderographers elect Warburton to top union post

Arlington, Va.—The Siderographers convention elected two new officers: President Richard Warburton, who succeeded James C. Small, and Vice President Kenneth Martin. Sec. Harvey Henderson was re-elected to his sixth two-year term.

The four delegates reviewed the union's efforts to modernize engraving techniques and update members' skills. Members of the small, 84-year-old union of currency, stamp and securities engravers now use a copper transfer press system and plastic plates instead of the older steel plate engraving method.

The convention agreed to continue efforts to modernize the craft, but noted that working conditions and salaries, particularly for members in the public sector, have not kept pace with improvements in productivity.

The union's nine members work at the U.S. Bureau of Engraving & Printing in Washington, and for private securities firms in New York, Philadelphia, Chicago, Los Angeles and Ottawa.

Delegates selected Ottawa as the site of the union's 1987 convention.

## *Utah delegates map plans to combat mounting layoffs*

Salt Lake City, Utah—Unemployment was the main issue at the Utah AFL-CIO convention where most of the resolutions adopted by the 400 delegates were linked to efforts to save jobs.

State AFL-CIO President Ed Mayne told the delegates, "What is happening resembles what existed in America prior to the Great Depression."

Mayne pointed to the plants that have closed or experienced high layoffs in the past year in Utah—Kennecott, Geneva, Anaconda, Eimco, Sperry Univac, Brigham Apparel, Western Steel, Barbizon and Mode O'Day.

"Imports are systematically driving American goods from the American marketplace," Mayne said. Essential industries are being severely injured by the policies of the Reagan Administration, he said.

"We find an Administration dedicated to emasculating the federal government and to dividing the country, region against region, race against race and rich against poor," Mayne said.

The convention adopted resolutions urging the state legislature to help bring in new businesses to Utah, calling for legislation to stem the tide of imports that are destroying American jobs, and supported the state AFL-CIO's lobbying efforts to blunt the Utah legislature's attacks of workers.

Another resolution condemned the union busting tactics of Wheeling-Pittsburgh Steel Steel Corp., which filed for bankruptcy in order to abrogate its union contract. Delegates called for stronger laws to prevent companies from using the bankruptcy courts to negate their labor agreements.

Delegates picketed during the first day of the convention with members of Communications Workers locals here as part of the nationwide Job Savers Day—CWA's protest against job cuts being made by AT&T.

### Industry's problems

Steelworkers Treas. Frank S. McKee told the convention the problems with the nation's steel and copper companies lie with economics, corporate power and politics—not the American worker.

McKee declared, "You can't roll over and play dead," when the employers are pressing for givebacks. No amount of give-ups will solve those companies' problems, he said.

McKee is co-chairman of the union's Non-Ferrous Coordinated Bargaining Committee. He noted that preliminary bargaining for the next contract with Kennecott will begin in October. The USWA and Kennecott had earlier agreed to concessions, but the company's copper division has still experienced cutbacks and closings.

The delegates had a choice between a pair of workshops, one on taxes and financial recordkeeping and the other on occupational safety and health. Robison, Hill & Co., an accounting firm, conducted the first workshop, while Butch Ploughman, director of the Rocky Mountain OSHA project led the second.

Clifford Green of Laborers Local 295 in Salt Lake City was re-elected vice president of the State AFL-CIO by acclamation.

## Average wage gains barely cover COL rise

**Continued from Page 1**

durable goods industries resulted in an average pay of $25,161. San Jose, Calif., was third with $23,703.

The BLS report, which covered the nation's 336 metropolitan areas, showed that wages declined in five areas from 1983 to 1984. The sharpest drop was in Richland-Kennewick-Pasco, Wash., where massive joblessness led to a 3.2 percent decrease in pay. In Bremerton, Wash., average pay fell by eight-tenths of 1 percent, while in Pascagoula, Miss., the decline was seven-tenths of 1 percent.

At the other end of the scale, the largest pay gains were recorded in Anderson, Ind., with an annual growth rate of 9.7 percent. Kokomo, Ind., was second with a 9.4 percent advance, and Hagerstown, Md., was third with a 9 percent increase.

# Plant-closing law called vital to ease impact on workers

Legislation giving workers adequate advance notice of intentions to close down a plant or assembly line is a "must," President William H. Bywater of the Electronic Workers stressed at a Capitol Hill press conference.

"It's a simple bill. And it's simple justice we're asking for," Bywater said of the proposed Labor-Management Notification & Consultation Act of 1985.

Bywater called the measure "a positive first step." The legislation, introduced by Rep. William Ford (D-Mich.) and cosponsored by 117 other House members, provides for a 90-day notice of a plant closing. A companion bill is to be introduced in the Senate soon.

Bywater released a report supporting the proposed legislation issued by the Full Employment Action Council, which sponsored the news conference.

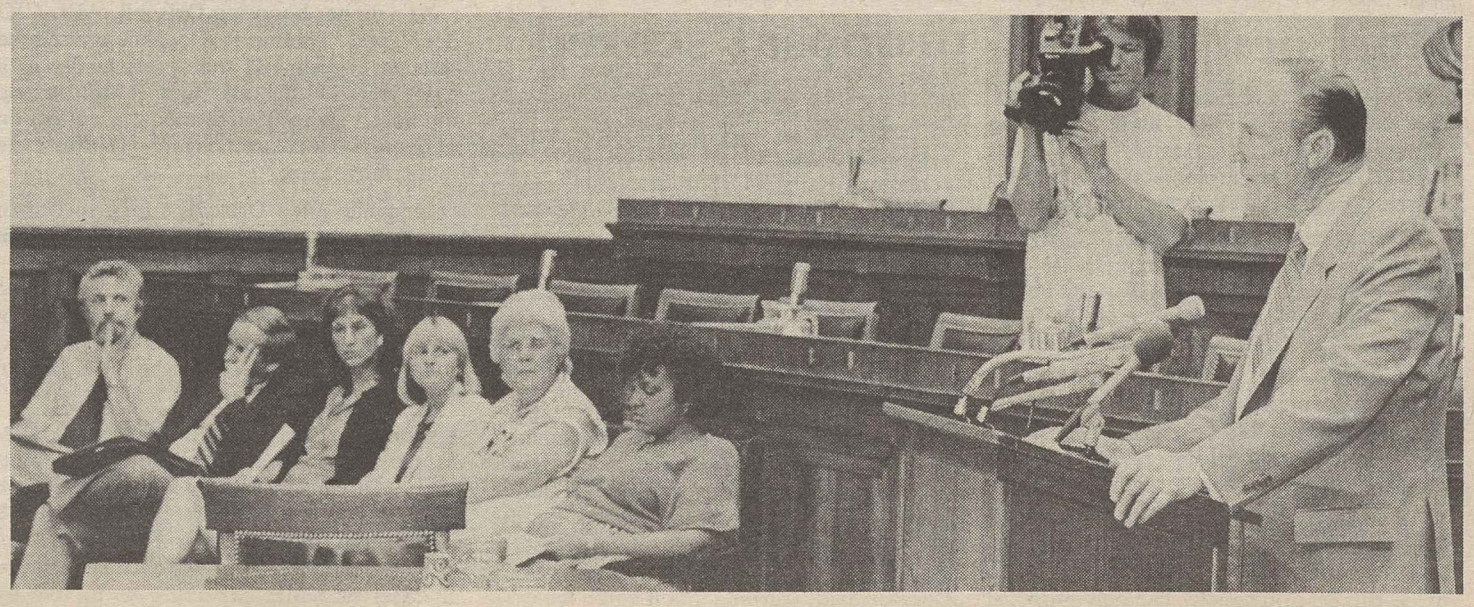
The council's report, "Economic Dislocation & Structural Unemployment: The Plight of America's Basic Industries," challenges Reagan Administration statistics claiming improvement in the nation's jobs situation despite the shutdown of plants due to unfair trade advantages accorded imported manufactured goods.

"Careful analysis of economic data reveals that the so-called recovery has bypassed millions of workers," he said.

"Despite improvements in the overall unemployment rate since the depths of the 1982 recession, many of America's basic industries are in worse condition today than they were at the end of the last decade," Bywater declared.

"The erosion of the nation's industrial base has marked the 1980s as an era of abandoned plants, lost jobs, diminished earnings, depressed communities and shattered dreams."

The FEAC report, which surveys the job loss situation in major U.S. industries over the past five years, discloses that some 11 million workers have suffered economic dislocation since 1979.



IUE President Bywater calls for speedy action on plant-closing bill.

# EDITORIALS

## All's Well, He Says . . .

IN HIS MOST RECENT press conference, President Reagan gave his optimistic view of the American economy. He only failed to quote Pangloss in Candide: ''All is for the best in the best of possible worlds.''

Never mind the soaring trade deficit that has tossed tens of thousands of workers into the street. ''Free trade'' is the Panglossian answer.

Never mind the continued recession level of unemployment after two years of so-called recovery. ''More people are working than ever,'' is the blitheful response.

The cheerful rhetoric became confused when the question was asked about America becoming a ''debtor nation'' for the first time in 70 years. ''I think this has been exaggerated. And it isn't a case of us being a debtor nation,'' the President said.

The plight of the American farmer, facing a new season of bankruptcy, was ignored.

There are some substitute answers that working Americans understand for these questions, starting with the trade deficit.

Members of Congress who spent their late summer holiday talking to constituents returned to Washington determined to do something to prevent more American industries from being flooded out by the tidal wave of cheap imports.

''The Maine shoemaker, the Ohio machinist, the Kansas farmer and even the so-called high tech worker in the Silicon Valley have all gained a keener appreciation of the realities of international commerce,'' President Lane Kirkland told the House Ways & Means Subcommittee on Trade. ''These lessons, however, were not learned from textbooks or endless international negotiations, but from lost jobs, lost income and lost dignity, with a massive ripple effect along every main street in America.''

IT IS TRUE that a higher proportion of Americans are working than ever before, but, as usual, the statistics hide some less encouraging facts. The proportion of men who are working has been declining while the proportion of women working has been rising.

Many of those women were forced to take some of those new service jobs that pay slightly more than the minimum wage after their husbands had been forced into retirement. Others are young women forced to work to support their children or to contribute to paying the high interest rates on their homes.

As for the debtor status of the United States, that is a simple matter of facts and figures. The balance of what America owes to foreigners and owes overseas has turned into red ink. At this rate, early in 1986, the United States will pass Brazil as the largest single debtor nation in the world.

Leading members of the House and Senate have recognized the facts of contemporary economic life; they are ignoring the sweet music from 1600 Pennsylvania Avenue and are busy writing their own answers to the problems that beset us. Trade legislation has been given a higher priority than the President's version of tax reform.

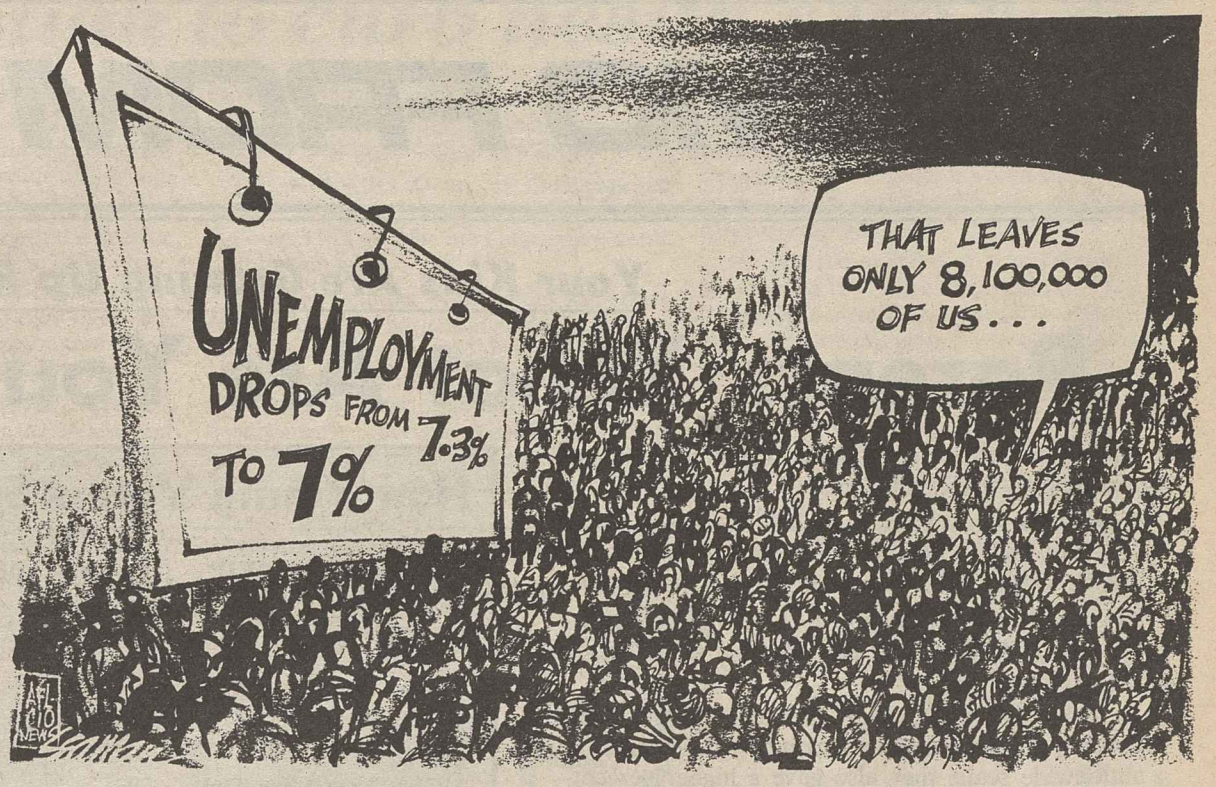
These congressmen are realists—most of them have to face the electorate next year while the President does not have to run for office ever again.

## . . . And Then Some

THOSE CRITICS who like to blame American wages for the country's failure to meet international competition might want to study a new report on executive compensation, worldwide.

American bosses, by far, are the highest paid compared with every other industrial nation.

The cash salaries and bonuses of American executives average twice those paid in Japan or France; slightly less than twice what is paid in West Germany, but nearly three times what is paid in Britain, according to a new study by Towers, Perrin, Forster Crosby, management consultants




**Washington Window**

# Widening poverty gap traps 13 million children

**By Press Associates, Inc.**

The White House staff deserves high marks for manipulating public opinion into believing that President Reagan should get the credit whenever the sun comes out.

When the Census Bureau recently reported that the number of people in poverty declined by 1.8 million last year to 33.7 million, the White House called it a ''triumph'' for Reagan's economic policies.

What the White House staff ignored was the fact that the decline in the poverty rate to 14.4 percent followed five years of sharp increases in poverty. The Reagan recession, the deepest since the Great Depression of the 1930s, pushed the nation's poverty rate to a record 15.3 percent in 1983.

At 14.4 percent, the poverty rate is still higher than when Reagan took office.

The bragging by the Administration seems premature with unemployment still in the 7 percent recession-level range after 33 months of ''recovery.'' Worse, some economists see signs of a new recession shaping up, a predicament that will swell the numbers of poor in the absence of anti-poverty programs.

### Distressing contrast

One of the most distressing aspects of this supposed good-news poverty report is that, for the tenth consecutive year, the gap between the number of children living in poverty and the rest of the population has widened.

From 1970 to 1983, the poverty rate for children under 16 rose from 15.5 percent to 22.8 percent. Over the same period, the gap between the overall poverty rate and that for children grew from a 2.9 percent difference to a 7.5 percent difference. In 1984, the gap edged up again to 7.6 percentage points, even though the poverty rate for that age group fell slightly to 22 percent.

For children under 18 years old, the poverty rate fell from 22.2 percent in 1983 to 21.3 per cent in 1984. The rate for white children fell from 17.5 percent to 16.5 percent.

The rates for black children and Hispanic children remained virtually unchanged at 46.5 per cent and 39 percent, respectively.

For children under the age of six, the poverty rate was even higher—24 percent in 1984, which was a drop of 1 percent over the year. Black children in this age group were poor at the record rate of 51.1 percent, up from 49.4 percent a year earlier.

According to Michael R. Lemov, executive director of the Food Research & Action Center, ''the United States remains the only industrialized nation in the world where children make up the largest segment of the poverty population.''

### A new class of poor

In a report analyzing the data on poverty among children, FRAC warned: ''Children are the largest group of poor Americans; they are the victims of an economic generation gap that threatens our ability to substantially reduce the level of poverty in America for a new class of poor.''

The consequences, FRAC said, are ''long-term health risks for an entire generation of Americans. Poverty and its side effects among children can lead to poor physical growth, anemia, and poor behavioral development.'' Such problems translate into reduced abilities to perform well in school, it noted.

The Reagan Administration may consider it good news that more than 13 million children under 18 live in poverty, but most people who care about the long-term implications cannot welcome the development.

Especially, as FRAC pointed out, if there is increased unemployment during another recession. Less than one-third of the unemployed receive jobless benefits, and, coupled with cuts in social programs, the result could worsen the already disgraceful poverty level for children as well as adults.

AFL-CIO news

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# MEMO FROM COPE

## *Your Kids Are Growing Up Republicans*

# Parents, What Are You Doing Wrong?

American parents are failing. Their children are growing up to be Republicans.

It would be convenient to be able to blame Doctor Spock, but he got blamed when they were growing up to be Democrats. You can't have it both ways.

Maybe there's no point in looking for scapegoats. The fact is the fact: The youngest voting group is going Republican.

In November 1984, voters in the age range 18-29 supported the Reagan-Bush ticket 59-40 percent. On a nationwide scale, they also gave a higher percentage of their vote to GOP candidates for U.S. House and Senate.

Since then, apparently they've had few second thoughts, as the accompanying chart shows. They're GOP over Democrat by 48-43 percent, according to CBS/New York Times polls, whereas over-30 voters split 49-42 *for* the Democrats.

**How Young Voters Split**

| PARTY FAVORED | 18-29 (percent) | 30 + (percent) |
|---|---|---|
| Republican | 48 | 42 |
| Democrat | 43 | 49 |
| **REAGAN RATING** | | |
| Approve | 67 | 60 |
| Disapprove | 24 | 29 |

* CBS/New York Times polls.

The revealing figure is how young voters break on the Reagan job rating. They approve the President's performance in office 67-24 percent.

This suggests, as other surveys have since the 1984 elections, that the popularity is the President's and that the party tags along in his windstream. In other words, the party's popularity has little impetus of its own. After all, Reagan's rating is 3-1 favorable; the party does only a bit better than break even.

In turn, this delivers the message that party allegiance of younger voters is still up for grabs. The fight is still in its early rounds. The GOP is ahead on points. But Democrats have no cause to throw in the towel.

If the GOP has a knockout punch, it's Reagan—and politically at least, in view of his lame duck status, his potency diminishes as what remains of his term in office shortens.

A second reason is young voters just don't seem to cotton to the Reagan-GOP-right wing fixation on the social issues. In fact, this is the judgment of Lee Atwater, himself a GOP political consultant with ties of his own to the "new right."

Atwater explains the poll figures as showing younger voters "think of themselves as Republicans, because that's how they voted in the last few elections" (since Reagan). But he does not think the GOP has them sewed up.

There is yet another reason—this one more down the road than immediate. The Reagan-Republican economic chickens are going to come home to roost, inevitably. The GOP has more of them than Holly Farms: (1) An ill-advised and lopsided tax cut that (2) helped create sustained and record-high budget deficits with (3) no fair-minded and serious presidential effort to grapple with them, only Reagan's inane and inaccurate PR thrusts at the "spend and spend, tax and tax Democrats" (4) along with a no-policy trade policy that continues to tolerate trade conditions and practices that wipe out huge numbers of U.S. jobs and undermine basic industries.

When the cumulative effect of these serious weaknesses begins to be felt in the economy, no amount of teflon will protect either the President or his party, and the younger voters now at least in the GOP hallway will pack up and leave home.

A major question is: Will the Democrats have enough smarts to make their house an attractive alternative? There is, of course, no assurance of that.

## Odds 'n Ends

**RIGHT-WING MEGA-DOLLARS** boosted Reagan re-election bid last year, recent Federal Election Commission report shows. Ultra-conservative PACs shelled out $15.8 million in independent expenditures for Reagan, while pro-Mondale PACs could pony up only $804,000. Biggest independent spending was by National Conservative PAC at $10.2 million, $9.8 of it *for* Reagan, $290,000 *against* Mondale, and another $116,000 against 14 other Democrats and GOP Sen. Lowell Weicker (Conn.). Weicker wasn't even up for election, but he's just the kind of Republican right-wingers don't want in their party.

**'CHE' GINGRICH** and rightist House GOP colleagues who conduct guerrilla war against Democratic members for benefit of late afternoon cable TV are tame stuff. In other nations, members of legislatures *really* go after one another, as recent Washington Post photo showed. There in Ecuador legislature, a Liberal Party member was photoed landing hard-right to jaw of an opposing party member. Act of throwing punch hoisted his jacket above pants belt. There, under belt, he was packing a pistol.

**RIDICULE OF WOMEN'S** movement and issues is response of some GOP House members to serious concerns of many Americans of both sexes, among those concerns pay equity. Recently, Rep. Mary Rose Oakar (D-Ohio) introduced bill for study of comparable pay rates in federal jobs. GOP members went haywire, introducing more than 150 amendments in one day. Some of amendment titles deliberately demeaned proposal and pay equity issue, among them: The Sexist Socialism Act, Feminist Folly, Being Railroaded Through on a Greased Track, Let's Soak the Taxpayer Again. Carrying the ball for the funny folk were GOP Reps. Richard Armey (Texas) and Danny Burton (Ind.). Nation is fortunate to have such wags in Congress.

**PACS LEVEL OFF** at exactly 4,000 as of July 1 this year, Federal Election Commission reports, down from an all-time high of 4,009 at end of 1984. Major categories: 1,687 corporate PACs, 694 trade group PACs, 393 labor PACs, and approximately 550 right wing committees.

**TALK ABOUT SURPRISES,** it turns out that, right now, among core backers of President Reagan, Vice President Bush runs way ahead of Rep. Jack Kemp in this early stage of the 1988 GOP presidential nomination chase. Bush enjoys favorable-to-unfavorable ratio of 12-1 to Kemp's 6-1. VP's advantage over New York congressman in name recognition is lop sided, too, 98 percent to 56 percent. This is big change for Bush since early days of Reagan-in-office, when he was vilified by right-wingers.

# The Fact-Fleeing President

*(President Reagan's habitual flight from information as if it is a communicable disease has been remarked by many commentators. Few have written as scathingly on the matter as David Broder. Excerpted below is Broder's* Washington Post *column as the President returned to the White House from his ranch.)*

It is going to be so good to get President Reagan back to Washington, D.C. Not only will the city be brighter, he may be too.

Where many of its residents flee Washington in August to "get back in touch with reality," even if that reality is just a stretch of beach, this president pulls the plug on contact with the real world as soon as he leaves.

Reagan, as everyone must know by now, is the living refutation of Francis Bacon's aphorism that "knowledge is power." Reagan has flourished in politics by demonstrating that "conviction is power." He knows what he thinks and has the power of his own beliefs. But he treats knowledge as if it were dangerous to his convictions. Often it is.

When someone approaches Reagan bearing information, he flees as if from the leper's touch. . . .

The occasion for all this sarcasm is the latest, but surely not the last, sorry display of presidential ignorance—namely, the comments from the sky ranch on improving conditions in South Africa.

I don't know what is more discouraging: Reagan's lack of understanding or the convolutions of the people who work for him (and incidentally run our government) as they invent explanations and try to cover up for what he didn't know.

I have a good deal of sympathy for those people. How would you like to be explaining the terrifying prospects for South Africa and the difficult policy choices that situation poses for the United States to a man who believes that "they have eliminated the segregation that we once had in our own country . . ."? That cannot be easy work.

The task of watering the arid desert between Reagan's ears is a challenging one for his aides, even . . . in the White House (where) he can't hide.

Ed Meese was probably the smart one when he decided, back in 1981, to let the vacationing Reagan sleep through the dogfight between the U.S. Navy planes and Libya's fighters, rather than disturb his rest . . .

A year ago, you may recall, the president was so relaxed (on vacation) that he tested the microphone for his weekly broadcast by saying, "My fellow Americans, I'm pleased to tell you today that I've signed legislation that will outlaw Russia forever. We begin bombing in five minutes."

That remark was clearly intended to be more humorous than his comments on South Africa, but the two betray a common pattern that is important to understand: at heart, Reagan is a man of his convictions, and those convictions never change.

Reagan, for instance, has never accepted the reality of racism. Just plain won't recognize it. He said at one point in his presidency that he was unaware of racism, growing up in a family that he says taught him to treat every person the same.

Many of us grew up in that same kind of family. But you would have to be a creature from another planet not to be aware of pervasive racism in the Midwest of his or my own youth.

But Reagan never recognized the reality. So, conveniently, he never had to acknowledge the importance of the struggle to overcome racism. He opposed the Civil Rights Act of 1964 and the California open-housing law. Even when he was persuaded before the 1984 election to sign the bill commemorating Martin Luther King Jr.'s birthday, he could not resist making a wisecrack about King, for which he apologized to his widow.

So it really was not surprising that as soon as his advisers stopped reminding him that the South African regime was racist, Reagan reverted to form and declared it "reformist."

That is so typical. Reagan always is inclined to put his ideology ahead of any contrary information, because his ideology is comfortable, and information often is not. Inside the White House, there is a constant battle between those who want to supply Reagan with real-world information and those who prefer to reinforce his comfortable ideology. When Reagan is in Washington, there is a chance that information will win out; when he's away, ideology always prevails. . . .

# *Labor drafts legislation to curb health care costs*

The AFL-CIO has developed model cost-containment legislation for states to curb runaway health care charges and is mobilizing state and local central bodies to push for passage in 1986 legislative sessions.

The measure would put a lid on the annual rate of increase in hospital revenue, while providing fair treatment for the wages and benefits of non-supervisory hospital employees. It also focuses special attention on safeguards for workers who might be displaced as the result of health-planning decisions.

The proposal to restrain unnecessary outlays for medical care was unveiled by the AFL-CIO Ad Hoc Committee on Health Care, which supervised its development by technical experts from a number of international unions, assisted by outside health care specialists.

John J. Sweeney, president of the Service Employees and chairman of the committee, said the proposal for state action is ''essentially an extension of the activity in collective bargaining in which many unions have been engaged over the past few years.''

For the past two years, the AFL-CIO has advocated passage of cost-containment legislation introduced by Sen. Edward M. Kennedy (D-Mass.) and Rep. Richard Gephardt (D-Mo.), which would provide incentives to states to develop their own guide lines for placing a cap on healthcare costs.

The AFL-CIO Dept. of Occupational Safety, Health & Social Security described the model bill as ''the next necessary step'' in this campaign.

Sweeney said that while unions have been successful at the bargaining table in achieving some containment of costs through second-opinion surgical programs, preventive health care programs and pre-hospitalization review procedures, ''they have been frustrated because the system itself, has such high costs built into it.''

The new federal program for financing Medicare and the Reagan Administration's cutbacks in funding health care for the poor over the past five years have shifted the costs to union-negotiated health insurance plans, Sweeney noted.

He said the model cost-containment bill, if enacted by state legislatures, would ''greatly restrict, and virtually eliminate, that cost-shifting phenomenon.'' And this, Sweeney said, ''would be of direct benefit to union trust funds and union-negotiated insurance plans.''

The AFL-CIO said that ''all unions would

**Continued on Page 4**

AFL-CIO news

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SEPTEMBER 28, 1985

**LEGISLATIVE ALERT!**

PAGE 8

# Reagan trade plan rejects remedies on job-killing imports

**By David L. Perlman**

President Reagan's new proposals for ''free and fair trade'' won't bring back American jobs or restore import-devastated industries.

That's the judgment of the AFL-CIO, members of Congress from both parties and leading economists.

Reagan's White House speech promising more vigorous action to open up foreign markets to American products had been touted as an alternative to congressional action to curb job-destroying imports. The early indications were that the effort fizzled.

Senate Majority Leader Robert Dole did suggest that the President's call for ''a more open trading system'' would ''cool the protectionist fires in Congress.'' But a bipartisan majority of the House Ways & Means Committee sent a different message.

The committee approved an Administration-opposed bill to reduce clothing and textile imports from low-wage nations that have made American-manufactured goods an endangered product. The measure is a top legislative goal of both the Ladies' Garment Workers and the Clothing & Textile Workers.

A companion measure, which would include relief for the import-devasted shoe industry and its workers, is ready for action in the Senate.

### Passage conceded

So strong is the support, so broad the sponsorship, that the Administration has virtually conceded its passage. Commerce Sec. Malcolm Baldrige indicated to reporters that the fallback goal is to muster more than one-third of the Republican-controlled Senate to sustain a presidential veto. He said he ''thinks'' a veto would be sustained.

AFL-CIO President Lane Kirkland testified at Sept. 17 House hearings for emergency legislation to repair the nation's trade imbalance by turning to a more realistic trade course. And the House Democratic Caucus gave a big push to the legislative drive two days later by adopting a resolution calling on the Ways & Means Committee to report a comprehensive trade bill by the end of October, clearing the way for action by the full House.

Congressional support for legislation to remedy the one-way flow of trade has mounted as plant closings and layoffs have

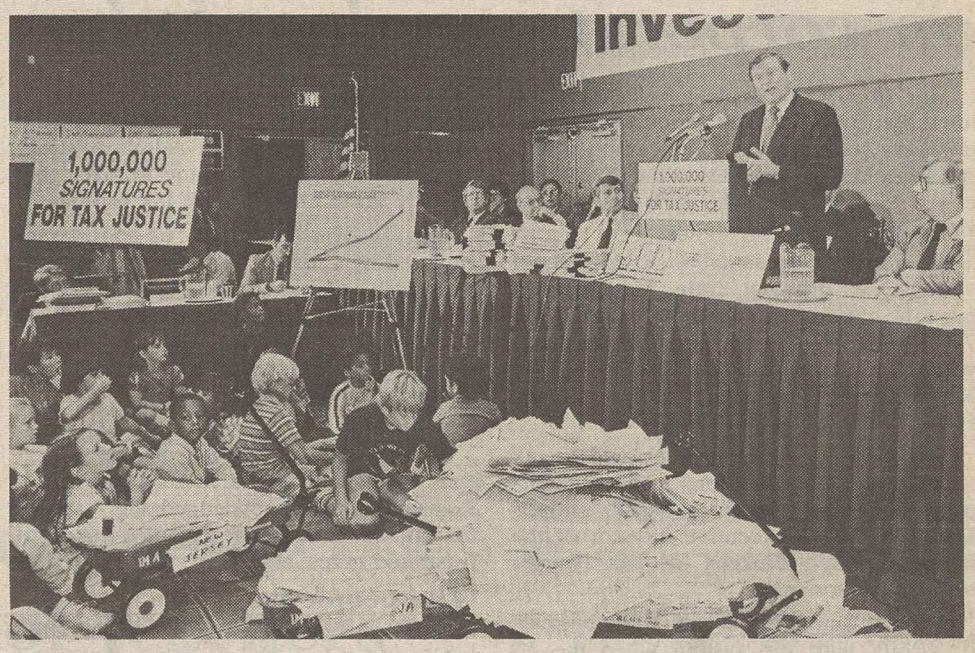
**Continued on Page 2**

## Noise standard goals advanced by court ruling

Richmond, Va.—The AFL-CIO welcomed a unanimous appellate court decision upholding the Occupational Safety & Health Administration's hearing conservation amendment, but stressed that the agency must now press employers to reduce permissible noise levels through engineering controls.

The court ruling ''sets the stage and groundwork to proceed to an improved standard,'' said Margaret Seminario, the federation's occupational safety director. The decision ''is important as the amendment does provide some worker protections, but no one should be fooled into believing that it does

**Continued on Page 6**




**Wagon train**

In 20 red wagons loaded with petitions signed by 750,000 citizens who want corporate tax loopholes closed, preschoolers delivered a powerful message to Chairman Dan Rostenkowski of House Ways & Means Committee at the seventh biennial convention of AFL-CIO Public Employee Dept. One million signatures are being gathered by the labor-backed Citizens Organized to Restore an Effective Corporate Tax. (Story, Page 2.)

# Pioneering role urged for public sector unions

**By Gene Zack**

Gerald W. McEntee, president of the State, County, & Municipal Employees, assumed the presidency of the 3-million-member AFL-CIO Public Employee Dept. with a pledge to make government workers at all levels the ''new pioneers'' in the federation's drive to deal with changing conditions in the workplace.

McEntee took over the PED helm from Kenneth T. Blaylock, president of the Government Employees, under the provisions of a new departmental constitution adopted in 1983, which calls for rotating the presidency between the federal/postal division and the state/local division every two years.

More than 200 delegates from 32 affiliated unions elected Blaylock secretary-treasurer, and named four executive vice presidents: Albert Shanker, president of the Teachers; John J. Sweeney, president of the Service Employees; Vincent Sombrotto, president of the Letter Carriers; and Angelo Fosco, president of the Laborers.

In his acceptance speech at the seventh biennial convention of the depatrment, McEntee called on government employee

**Continued on Page 2**

# *Wage-hour rollback bid assailed*

Unions representing America's public workers asked Congress not to backtrack on an extension of the federal wage-hour law that was enacted in 1974 and is scheduled to go into effect Oct. 15 as a result of a Supreme Court ruling.

The management side of the public sector—organizations speaking for mayors and governors—is trying to persuade Congress to repeal or revise the extension of coverage. They're arguing, as they did more than a decade ago, that it would be a financial burden to pay employees for working overtime. The Reagan Administration is cheering them on, and more than a dozen bills have been introduced in the House and Senate to amend the Fair Labor Standards Act.

At hearings of the House Subcommittee on Labor Standards, two panels of union representatives refuted management claims and urged Congress to let the extension of coverage go into effect.

Public agencies may not like the concept of overtime pay any more than private employers did when the wage-hour law was enacted, the panels of union witnesses observed.

### Illogical opposition

But that's not a valid reason to deny public workers the protection that private-sector and federal employees have long had, they stressed.

The union lineup included national and local leaders of the Service Employees, Fire Fighters, the State, County & Municipal Employees, Police Associations—and the San Antonio local of the Transit Union that initiated a court case resulting in a rare Supreme Court turnabout that restored the 1974 law.

The Supreme Court had first adopted a states' rights interpretation that blocked extension of wage-hour standards to persons employed in traditional government functions.'' But early this year, also by a 5-4 vote, the high court reversed itself on the issue and reinstated the extension of coverage. The Labor Dept. said it wouldn't start enforcing the law until Oct. 15 to give the public agencies time to come into compliance.

**Continued on Page 3**

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9/28/85



AFSCME President Gerald McEntee, right, takes over the Public Employee Dept. helm from AFGE President Kenneth Blaylock.

# *750,000 petition Congress on corporate tax loopholes*

The American people are fed up with loopholes that allow the nation's giant corporations to avoid some $90 billion a year in federal taxes, delegates to the seventh biennial convention of the AFL-CIO Public Employee Dept. told Congress.

In a dramatic presentation, 20 preschool youngsters, drawing little red wagons, brought tax reform petitions signed by 750,000 individuals to the convention floor, where they were presented to Rep. Dan Rostenkowski (D-Ill.), chairman of the House Ways & Means Committee.

The public wants to put an end to tax "handouts to corporations" and put corporate America "back on the tax rolls," David Wilhelm, executive director of the labor-supported Citizens for Tax Justice, told Rostenkowski.

Wilhelm said there is something basically wrong with the system when the 50 largest corporations, which racked up combined profits of $57 billion during the first four years of the Reagan Administration, "not only didn't pay a dime in taxes, but actually got $2.4 billion in tax refunds."

The wagon-trainload of petitions, gathered by Citizens Organized to Restore an Effective Corporate Tax (CORECT), was the public's way of saying that "we object when corporations pay less taxes than the secretary who types their letters and the janitor who washes their floors," Wilhelm said.

Accepting the petitions from the youngsters he called "tomorrow's taxpayers," Rostenkowski acknowledged the "appeal for fairness and balance from a nation of frustrated taxpayers."

### 'The people care'

Although the news media say that "the public doesn't give a damn about tax reform," the Ways & Means chairman said, the petitions prove that "the American people do care."

Rostenkowski said he shares the PED's concern, and that of the signers of the petitions, "about the erosion of the corporate tax, about the shift in the tax burden to working Americans, and about the mounting deficit" racked up in the first four years of the Reagan Administration.

The goal of tax writers in the House, he said, is to produce a bill which is a "significant improvement" over the present income tax system. Rostenkowski warned that "we're not going to achieve perfection," and that reaching a compromise is "the price of democracy."

The congressman said that "no one will get everything he wants" in the new tax bill, adding that the negotiations on Capitol Hill will be similar "to what you face in collective bargaining." He predicted that "we will give some in order to get some."

# Reagan plan hit as ploy to stall curbs on imports

**Continued from Page 1**

turned large sections of the nation into an industrial wasteland.

Against this backdrop, Reagan's only concrete proposal was to set up a fund for low-interest loans to facilitate sales of American products abroad when a competing product has an advantage stemming from another country's export subsidy.

Otherwise, the President merely promised an effort to hold down the value of the dollar in relation to foreign currencies and further negotiations to overcome artificial barriers to trade.

"These proposals would make no visible dent in the nation's current $150 billion trade deficit," the AFL-CIO said.

The federation termed Reagan's trade remedies "too little and too late. They fail utterly to come to grips with the specific problems of workers in the clothing, textile and shoe industries, the auto industry and the telecommunications industry."

In a crisis that demands "immediate action," the AFL-CIO said, Reagan proposes only "further study" and "additional trade negotiations, which all our experience tells us would drag on for years."

Steelworkers President Lynn R. Williams welcomed the Administration's belated awakening to the problem of unfair trade policies, but said workers whose jobs have been wiped out over the past five years are understandably cynical about Reagan's "instant conversion."

On Capitol Hill, there was a comparable reaction to the President's newly professed enthusiasm for "working with Congress" on "any necessary legislation," coupled with a threat to veto any bill departing from free trade principles.

As House Speaker Thomas P. O'Neill, Jr., put it, "These are not the words of someone taking action but of someone trying to stall for time."

## McEntee takes helm

# Public sector unions focus on unity agenda

**Continued from Page 1**

unions to mount coordinated organizing campaigns, instead of engaging in "senseless, self-defeating competition for small pockets of the unorganized."

Cooperation on the organizing front, McEntee said, is the best way to bring younger workers into the trade union movement. The PED's goal, he added, "is to make certain that the house of labor shelters new generations of American workers and their families."

AFL-CIO Sec.-Treas. Thomas R. Donahue hailed the PED's "determination to organize collectively," pointing out that establishment of "a mechanism to eliminate competitive organizing is in line with the renewal of the trade union movement which we all seek."

The AFL-CIO has conducted experiments in coordinated bargaining, Donahue said in his keynote address to the luncheon session, and recommended that the department explore either geographic cooperation, as was done by unions in Houston, or targeting specific employers, as was the case with the Beverly Nursing Home chain.

### Age-old goal

"The solidarity necessary to coordinated organizing drives is the same goal of unity" labor has sought during its 104-year history, he said.

Reaffirming the federation's support for public sector workers' rights, Donahue said: "It makes no sense for the crew paving the street to be subjected to a different set of rules than the crew paving the parking lot in the shopping mall across the fence. "The job, the hours, the safety risks are identical," and public employees should not be disadvantaged simply because of "an accident of employer."

In his opening remarks to the convention, Blaylock lashed out at the far right which, he said, is trying to play off "male against female, black against white, North against South," when the real struggle is between the "rich and the greedy" on one side, and "workers and the needy" on the other.

### 'Dollars don't vote'

Charging that the right wing is trying to buy its way into control of Congress as well as the White House, Blaylock reminded delegates that "dollars don't walk into the polls and pull the handles, people do." He urged affiliated unions to continue to motivate people on behalf of "dignity and human rights."

Eleanor Smeal, president of the National Organization for Women, sharply criticized those who, in attempting to stifle the movement toward pay equity, "try to sell the line that what women want is to take dollars away from blue-collar workers."

The labor movement and the women's movement have forged a "close alliance" on the pay equity issue. "Our goal is to not only to eliminate sex discrimination," she said, "but also to put an end to the cheap labor pool" made possible by wage discrimination against women and minorities.

Delegates unanimously adopted a resolution calling for "steps to eliminate pay discrimination and achieve pay equity," vowing to fight not only on the legislative front but also on the collective bargaining front. The convention endorsed pending legislation mandating a study of federal pay and classification systems "to determine the extent of race and sex-based wage discrimination within those systems."

In other actions, the convention put its stamp of approval on resolutions to:

- Achieve "equitable and responsive" state and local tax systems which would rely on progressive personal income taxes and corporate taxes, exempt necessities from sales taxes, and get rid of "economic development" tax breaks for business.
- Fight against ill-conceived "tax revolt" proposals which have resulted in arbitrary cuts in state and local tax revenues and led to broad-based rollbacks in government services.
- Battle Reagan Administration proposals to eliminate the deductibility of state and local taxes from federal income tax returns.
- Work against Administration plans to tax employee benefits, warning that such taxes would increase the federal deficit by creating new federally funded programs to deal with the financial risks that accompany disability, old age and death.
- Support efforts by affiliates to negotiate safeguards against the contracting out of public services to private, profit-oriented sources.
- Win passage of legislation providing the same health and safety protections for public employees now enjoyed by workers in the private sector.
- Force the Environmental Protection Agency to issue regulations spelling out what asbestos hazards exist in public buildings and requiring abatement of the danger in a safe and complete manner.

## Workplace Health Fund opens first local office

The first local chapter of the Workplace Health Fund opened its office in Washington.

The chapter was formed to raise money for a national research program and for local education, referral and service programs on occupational safety and health.

President Howard Samuel of the AFL-CIO Industrial Union Dept. heads the national fund. The new local agency is chaired by Donald M. MacIntyre, a vice president of the Government Employees.

# Support grows to block benefits tax

At least 175 House members—with the number rising daily—have cosponsored a labor-backed resolution opposing the taxation of employer-paid job benefits.

The resolution, initiated by Rep. Augustus F. Hawkins (D-Calif.), sends a strong bipartisan message to members of the Ways & Means Committee as they prepare to vote on the ingredients of a tax reform bill. It expresses "the sense of the House of Representatives that employee benefits not be taxed."

Its intent is to squelch a Reagan Administration proposal to tax workers on part of the value of their health insurance coverage and comparable provisions of other "tax reform" bills being considered by the Ways & Means Committee. These include measures to end the tax-exempt status of such job benefits as life insurance, child care, educational assistance and legal services.

The resolution was introduced by Hawkins with 165 co-sponsors, including 37 Republicans, and quickly picked up additional sponsors. **(See list on Page 8.)**

The Ways & Means Committee, which is trying to get a tax reform bill to the House floor by late October, is expected to reshape an Administration package that the AFL-CIO protested falls short of its proclaimed goal of making the tax system more equitable. It would make big winners of the wealthiest taxpayers, those who profited most from earlier rounds of tax cuts. But it would leave many two-earner working families worse off.

### Constituents polled

Many of labor's concerns were echoed in responses to a questionnaire that 44 House members sent to their constituents as part of a poll coordinated by the Democratic Study Group.

The constituent opinion poll, covering 26 states, brought these responses:

- More than two-thirds of those polled opposed taxation of any part of employer-paid health insurance, and majorities opposed taxing compensation payments for work-related injuries or further taxing unemployment benefits.

Nearly three-fourths opposed the Administration effort to end deductions for state and local taxes. Those opposed included 61 percent of persons who do not itemize deductions and therefore would not be directly affected.

- A solid majority opposed taxing capital gains profits from investments at a lower rate than wages and salaries. And more than three-fourths of the respondents opposed lowering the top income tax bracket, which is 50 percent for joint returns over $175,000.
- An overwhelming 87 percent said the oil and gas industry shouldn't receive more favorable tax treatment than other industries and 83 percent opposed any tax cuts—even for themselves—that would result in a higher federal deficit.

Under the Adminstration plan, the top tax bracket would drop from 50 to 35 per cent and the lost revenue would be recouped by increases elsewhere. Despite a strong presidential push for priority on the congressional agenda, final legislation is not likely this year.

# Congress pressed to retain wage law coverage

Continued from Page 1

As Subcommittee Chairman Austin J. Murphy (D-Pa.) noted at the start of the hearings, Congress had considered and rejected the arguments against coverage raised by the city and state governments when it passed the 1974 legislation. And when New York Mayor Edward Koch appeared as a spokesman for the League of Cities and Conference of Mayors to urge that public workers be excluded from overtime protection, Murphy noted that Koch had voted for extension of coverage as a member of Congress in 1974.

Koch said city employees don't need wage-hour coverage because they are well represented by unions. But the top negotiator for a large portion of New York's municipal employees—Executive Director Victor Gotbaum of AFSCME District Council 37—was on hand to challenge the mayor's reasoning.

To tell the 20 percent of the workforce employed in the public sector that they can't have the protections accorded other workers is to "denigrate them," Gotbaum said. If collective bargaining has protected the rights of the organized public workers, the cost of adjusting to federal overtime pay requirements would be minimal, he noted.

SEIU President John J. Sweeney, whose union represents more than half-a-million local and state workers, stressed that "no worker should be asked to work long hours for low pay in order to subsidize any employer, whether that employer is engaged in private business or in government business."

Unions are prepared to work with Congress to deal with any fine tuning that experience with the law proves necessary, Sweeney said.

But "the law should be given a chance to work," Sweeney stressed. Congress should not legislate on the basis of "imagined difficulties."

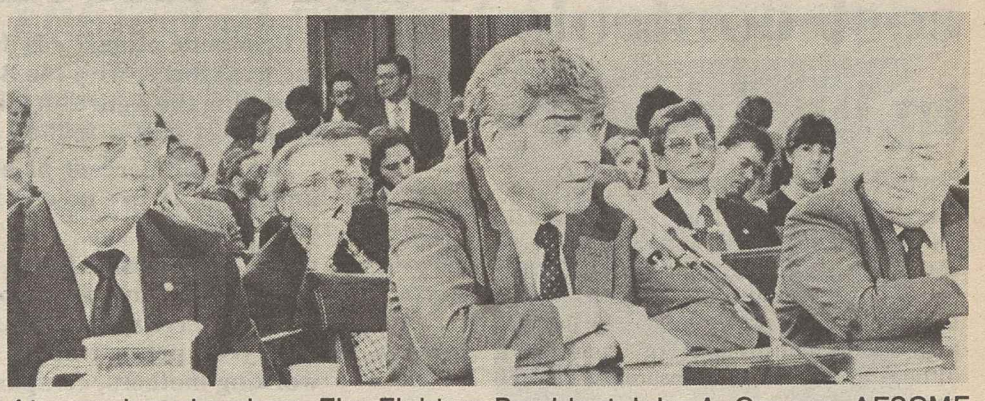
## Standards eased

Fire Fighters President John A. Gannon noted that Congress had responded to concerns of local governments by providing more lenient overtime standards for fire and police personnel.

Thus, fire fighters would not be entitled to premium overtime pay under the law until they had worked 212 hours in a 28-day work period—the equivalent of a 53-hour workweek.

With such flexibility, he said, cities and states have been "grossly exaggerating" the cost of compliance.

Local governments have already had "a 10-year reprieve" from compliance with the law and any further delay can't be justified, Gannon said.



At wage-hour hearings, Fire Fighters President John A. Gannon, AFSCME District 37 Director Victor Gotbaum, SEIU President John J. Sweeney.

## Compliance met

The president of a Fairfax County, Va., local of the Fire Fighters gave first-hand testimony to the ability of public agencies to comply with the law without disruption.

In a county with more than 1,000 fire fighters, Local 2068 President Eric S. Lamar testified, compliance with the law was achieved well before the deadline with cooperation by labor and management in rearranging schedules and without additional cost to the government.

Milwaukee Police Association President Gary J. Brazgel told the subcommittee that a number of law enforcement groups consider the option of compensatory time important because of the long hours some times required. But the union's interpretation of the law, he said, is that the ceiling on hours that applies to police officers allows up to three hours a week of agreed-on "comp times."

The Supreme Court case that restored wage-hour coverage for public workers was brought in the name of Joe G. Garcia, a San Antonio bus driver and vice president of Local 694 of the Amalgamted Transit Union.

The San Antonio local was represented at the hearing by its president, Robert Thompson, a co-worker and friend of Garcia, who traced the union's long struggle for enforcement of the Fair Labor Standards Act.

"For myself, for Joe Garcia and others," Thompson testified, "the court's ruling merely recognizes that we, no less than other transit workers, are entitled to receive fair compensation for our work under the same standards which have, for decades, been applied to this country's private transit employees.

"We see no reason for this Congress to pass legislation to repeal, amend, delay, or in any other way, overturn the results of this constitutional litigation."



Panel of witnesses includes Eric Lamar of Fairfax, Va., Fire Fighters, Transit Union lobbyist Robert Molofsky, Robert Thompson of San Antonio Transit Union and Gary Brazgel of Milwaukee Police Association.

# Study finds education goals endangered by blunders in assignment of teachers

Millions of students may be sitting in classes staffed by teachers unfamiliar with the subjects in which they are giving instruction, the Teachers and the Council for Basic Education charged.

AFT President Albert Shanker said the practice, under which as many as 200,000 teachers could be working in areas they are not qualified to handle, is "education's dirty little secret." He called the situation "a problem that shames us all."

Declaring that the statistics are "not a pretty picture," Graham Down, CBE executive director, warned that the misassignments of teachers could have "dire" consequences.

Shanker and Down released a 50-state study entitled, "Making Do in the Classroom: A Report on the Misassignment of Teachers," which documented what it called "a scandal in the making."

The report said that "individuals originally certified in English may be assigned to teach science. A vocational education instructor may teach a social studies class."

Shanker said that the misassignments are "a betrayal of the meaning of education. The message it sends is that bureaucratic convenience takes precedence over academic standards and that the school's custodial role is more important than its intellectual mission."

## Varied practices

The survey said that the practice of assigning teachers to work out of their own fields varies widely from state to state, with six states permitting unrestricted out-of-field assignments, and 15 others putting some limitations on the misassignment of teachers.

It cited such examples as:

- Arizona, which has no restriction at all on out-of-field teaching.
- Maryland and Michigan, which allow teachers to go out of their certified areas for two periods a day.
- Alabama, which permits teachers to spend up to 49 percent of their day out of their own fields, and Massachusetts, where the limit is 20 percent.
- Georgia, where nearly 80 percent of those teaching math and science are improperly assigned.

"How much confidence should the public have," Down asked, "in a profession that routinely allows, as a matter of policy, a certain percentage of its work to be done by unqualified practitioners."

Shanker said that the practice of giving teachers entry-level competency tests, providing internships and certifying them to enter the classroom has convinced the public "that we are raising standards." He added: "What's the point of giving a prospective English teacher an English test and then assigning him to teach physics?"

The joint AFT-CEB study noted that most states "literally don't know how much out-of-field teaching goes on," pointing out that while three-quarters of the states have explicit policies deeming the practice unsound, none has made it illegal and few go to the trouble to measure whether or not misassignments are actually occuring.

# Film unions ratify 3-year contract covering 30,000

Los Angeles—A three-year contract that provides pay increases totaling $3 an hour for 30,000 film and television workers has been ratified overwhelmingly by members of 23 Hollywood-based locals of the Stage Employees in a mail referendum. The IATSE locals represent some 24,000 of the union members covered by the agreement negotiated with the International Alliance of Motion Picture & Television Producers. Five other craft unions had already approved the settlement.

The new agreement also improves pension benefits for workers in an array of film industry occupations. The contract includes work rules changes agreed to by the unions to help maintain southern California as a major center of film production.

The 6,000 workers not in IATSE locals are in crafts represented by the Electrical Workers, Laborers, Plasterers, Plumbers & Pipe Fitters, Hotel Employees & Restaurant Employees and the unaffiliated Teamsters.

In addition to the $3-an-hour pay increases over the three-year term, pension benefits will rise 25 percent for future retirees and 10 percent for those already retired. The pension improvements will be funded in part by a revised formula for employer payments based on revenue from the sale of videocassettes.

In the two-step ratification procedure, the contract was approved by a 9,344 to 742 margin in the mail vote and by a 232-0 vote by delegates from the 23 IATSE locals.

# FAST rigs a 'golden parachute'

The AFL-CIO Food & Allied Service Trades Dept. has launched a trend-setting drive to give workers a version of the "golden parachute" protection which insulates nearly half of the nation's corporate executives against the adverse effects of corporate takeovers.

FAST is seeking to amend the bylaws of Delchamps, Inc., a supermarket chain based in Mobile, Ala., to create a new "contract of employment" for all employees except officers or directors.

If adopted, the plan would guarantee workers one year's average salary and benefits if they are terminated as the result of any takeover.

Robert F. Harbrant, FAST president said the effort to protect the economic status of employees of the non-union supermarket chain constituted "the first effort to provide workers with substantial protection if their employer is taken over" by another firm.

"We believe the recent rash of hostile takeovers and tender offers has devastated the job security of millions of Americans," he said.

FAST contended that non-managerial employees are "acutely vulnerable to changes in control" of a corporation because their status gives them "little leverage" to negotiate "the types of securities and benefits that executives normally receive."

The AFL-CIO department noted that 48 percent of the firms on the Fortune magazine list of the 1,000 largest corporations protect their senior executives with "golden parachutes," which contain specific triggers in the event the corporation changes hands.

# Better pensions

**Union-negotiated pension plans provide higher monthly retirement benefits than other plans, a study by the National Bureau of Economic Research reported.**

**The advantages of collectively bargained plans range from 50 to 109 percent above non-union plans, according to the study, entitled "Unions, Pension Wealth, and Age-Comparison Profiles."**

**Not only do beneficiaries of union-negotiated plans receive larger monthly annuities, they also receive larger increases in their benefits after retirement, and retire at an earlier age, the study noted.**

# Wheeling Steel's new management to resume talks

Pittsburgh—Negotiations between the Steelworkers and Wheeling-Pittsburgh Steel Corp. leaders will resume Sept. 30 as the two sides work to end the 10-week-old dispute at the steelmaker's plants in Ohio, West Virginia and Pennsylvania.

USWA negotiators met briefly with Wheeling-Pitt's new management and pledged "an all-out effort to save the company." The union maintained that a key factor in its agreement to renew negotiations was the company's decision to turn its financial records over to the union for inspection, a request former chairman Dennis Carney had refused.

Carney resigned Sept. 20, under pressure from Wheeling-Pitt's largest stockholder, Allen E. Paulson. Paulson was elected chairman, while George Ferris, a former Ford Motor Co. executive, was named chief executive officer and vice chairman.

Striking steelworkers considered Carney's abrasiveness and tough talk a major stumbling block in resolving the dispute as rallies and parades in steel towns throughout the Monongahela and Ohio Valleys carried the message, "Carney's gotta go."

Nearly 8,600 USWA members at Wheeling-Pitt's nine plants have been idled since July 21.

# Labor pushes cost controls in health care

Continued from Page 1

benefit from this legislation which puts a lid on the rate of growth in total health-care costs,'' adding that it would be of particular help to ''small unions and unions with a large number of older workers or those in high-hazard industries, all of whom find it difficult to negotiate with insurers and health care providers.''

The model bill, which state and local central bodies will seek to introduce in the next session of their legislatures, puts particular emphasis on meeting the needs of workers who may be displaced by reductions in excess hospital capacity.

It would require each hospital to meet certain conditions before instituting a reduction in the workforce. If a cutback in employment is the only choice, hospitals must provide for alternative employment in neighboring hospitals, as well as any necessary retraining.

This provision is patterned after success ful programs already in place in Maryland and New York to deal with hospital closures or the conversion of hospitals to institutions providing less intensive care.

The measure would also combine the rate-setting mechanism and the health planning functions which used to be separate at the federal level and are now being wiped out by the Reagan program.

Sweeney hailed this provision in the model bill, pointing out that ''it sets up for the first time an integrated system of both planning and funding health services.''

Other key features of the legislation include:

- A statewide pool, financed by a surtax on hospital revenues, to fund uncompensated care provided to the uninsured, including jobless workers.
- A state loan-guarantee program to bring needed capital into facilities that treat a disproportionate number of low-income people.
- Establishment of criteria to monitor the quality of inpatient care.
- Inclusion of labor in the annual process of adjusting hospitals' gross patient revenue, which will give unions an opportunity to protect the wages and benefits of non-supervisory hospital employees.

# More mothers at work

**Economic necessity is driving more mothers into the workforce, with the Bureau of Labor Statistics reporting the figure hit 20 million as of last March, up almost half a million over the previous year.**

**Nearly 62 percent of all mothers with children under age 16 are now in the job market, the BLS report said.**

**The number of children with mothers in the labor force climbed by 5.8 million between 1975 and 1985, reaching a record high 33.5 million. This means that nearly 60 percent of all children under 18 have working mothers, compared with less than 50 percent a decade earlier.**

**Reflecting the way in which the economic slow down has affected women, BLS said 80 percent of divorced mothers and 60 percent of widowed women are working fulltime outside the home.**

**Among mothers living with their spouses, 61 percent are in the job force. The AFL-CIO Dept. of Economic Research said this is largely the result of the worsening economic situation.**

**In some instances, women seek employment because their husbands are hit by layoffs or cutbacks in manufacturing industries, the AFL-CIO said, while in other cases the cause is the failure of their husbands' incomes to keep pace with rising living costs over the past decade.**

**Women whose children are six years old or younger continued to move into the labor force at a significant pace, BLS said, reaching 8.2 million, an increase of 300,000 over the year.**

**Half of all mothers of children under three were either employed or looking for jobs last March, up from one-third a decade earlier. For those whose youngest child was between ages 3 and 5, the proportion working was 60 percent, up from 45 percent in 1975.**

**The BLS report showed that black mothers continue to be more likely than white mothers to be in the labor force, although the gap is narrowing. The participation rate for black mothers with preschool children was five percentage points higher than for white mothers, while ten years ago, the gap was 13 percentage points. The participation rate for Hispanic mothers remained well below those of whites and blacks.**

# Sheet Metal union elects Bassett as Clay steps down

Lonnie A. Bassett was elected by the Sheet Metal Workers executive council to succeed Cecil D. Clay as secretary-treasurer. Clay, 69, who has held the post since 1981, is retiring Oct. 1.

Bassett, 58, has been the SMW's director of organization since 1970. Prior to that, he served as president and business manager of SMW Local 21 in Baton Rouge, La.

He was appointed an international organizer in 1961 and a year later made a SMW representative. In 1967, Bassett became assistant to the chief international representative in the jurisdiction department, and was appointed organizing director three years later.

Clay joined SMW Local 399 in Charleston, S.C., in 1947 and served as its business agent from 1959 to 1971 when he was elected a vice president of the SMW. He had also been president of both the South Carolina and Greater Charleston Building Trades Councils and had been an officer in the state and local AFL-CIO bodies.

# *Reagan's policies assailed as hostile to labor, blacks*

Dallas—The harsh impact of Reagan Administration policies on the economy, the labor movement and the black community was the focus of some 800 black trade unionists participating in the A. Philip Randolph Institute's 16th national conference here.

President Reagan's positions on foreign trade, South Africa, taxation of worker benefits, employment, the youth submininum wage, and the budget deficit became the focal points for workshops, panels and guest speakers.

''We find ourselves confronting an Administration that has been aloof and unconcerned, if not openly hostile to labor, to blacks and the poor,'' APRI President Norman Hill said in his keynote address. ''Black social and economic progress is low on its agenda, if it is there at all.''

Hill called for renewed effort by the black-labor alliance to elect candidates in next year's congressional and gubernatorial elections who are pro-labor and pro-black.

Nana Mahomo of the African-American Labor Center, who is coordinating the AFL-CIO's South Africa policy, was joined at a press conference by Hill, Burns Bonadie, a union leader from the Caribbean nation of St. Vincent, and Alvin Guthrie, a labor leader from Micaragua. They expressed solidarity with the labor movement in South Africa and called for expanded contracts between the labor movements in the United States and the Third World.

AFL-CIO Vice President Barbara Hutchinson, a Government Employees vice president, chaired a session of the conference at which William Julius Wilson, a professor of sociology at the University of Chicago, spoke on the black underclass. He cited black male joblessness as a major factor contributing to the disintegration of many black families.

Service Employees President John J. Sweeney, also an AFL-CIO vice president, keyed on the events in three cities—Washington, Beaumont, Tex., and Capetown, South Africa. In Washington, he said that ''events and human nature are bringing to an end the awesome power of the Reagan White House'' and there is a ''chance for change'' in the 1986 congressional elections.

He told the audience of the nine-week-old strike by some 200 SEIU members in Beaumont, Tex., against the A.W. Schlesinger Geriatric Center where the workers, mostly black women, had been pressured for a 10-percent giveback in their $4.10 per hour wages.

Participants contributed $2,500 to aid the Beaumont workers, three of whom attended the conference.

Sweeney also called attention to South Africa's system of apartheid and urged a boycott of consumer products from that country.

Among the guest speakers were Gov. Mark White, Agricultural Commissioner James Hightower, and Sec. of State Myra McDaniel, the first black woman to hold that post.

### More poverty

National Urban League President John Jacob warned the conference that ''America is going to have to rediscover poverty'' because of the Reagan Administration's dismantling of important civil rights and social programs that benefit the minorities and the poor.

A panel discussion, chaired by Actors & Artistes President Fred O'Neal, explored strategies to combat poverty in the black community. Velma Hill, SEIU's director of human rights and international affairs, said that workable federal programs for job development and assistance are needed to augment self-help initiatives in reducing black unemployment.

At an awards banquet, former Texas Congresswoman Barbara Jordan was presented the A. Philip Randolph Freedom Award and AFL-CIO Region IV Director Walter Waddy received the A. Philip Randolph Achievement Award.

# GNP gain too weak to cut joblessness

Administration projections of a 2.8 percent economic growth rate in the third quarter—far below the rosy forecasts emanating from the White House as recently as two weeks ago—point up what labor called the ''continued failure'' of the economy to bounce back from the recession.

The ''flash estimate'' released by the Commerce Dept. dimmed whatever slim hopes remained for any brisk economic upsurge in the last half of the year.

President Reagan had predicted earlier this month that the growth rate would reach the 5 percent level in the second half of 1985, to offset the modest 1.1 percent growth rate in the first half of the year.

The Administration had pinned its economic hopes on an overall gain in the gross national product this year of 3 percent. After the dismal start recorded thus far, reaching that target would require a fourth-quarter jump of 7.1 percent in the GNP—an achievement that most economists now dismiss as impossible.

### Mixed reaction

The Administration sought to put the best possible face on the news, with White House Press Secretary Larry Speakes referring to it as further proof that the nation is going through its ''strongest postwar recovery,'' and with Commerce Sec. Malcolm Baldrige declaring that the nation ''is emerging from the doldrums of the past year.''

However, AFL-CIO Research Director Rudy Oswald viewed the latest developments in a far grimmer light.

''This is just another example of the continued weakness of the economy,'' Oswald said, blaming the lack of any vigorous growth on, among other things, the mounting deficit in the nation's balance of trade.

''The 2.8 percent increase in the GNP is insufficient to reduce recession levels of unemployment,'' he pointed out.

Most private forecasters had expected a better performance in the third quarter, with GNP bouncing back by 3.5 to 4.5 percent. Not only did the economy fail to grow at the faster rate, even the 2.8 percent pace was suspect, with many analysts calling it the result of temporary factors, including a late surge in automobile sales, which can not be sustained for the balance of the year.

### Prices inch up

Meanwhile, the consumer price index for urban wage earners inched up two-tenths of 1 percent in August, putting the inflation rate for the first eight months of the year at 3.3 percent.

The Bureau of Labor Statistics said August housing costs climbed one-half of 1 percent, while electricity prices advanced three-tenths of 1 percent and the cost of telephone service went up six-tenths of 1 percent. These increases more than offset declines in the prices of used cars, grocery store food, fuel oil and natural gas.

BLS also reported that medical-care costs rose one-half of 1 percent in August, the same as July, while physicians' fees advanced seven-tenths of 1 percent and hospital room costs went up three-tenths of 1 percent. Since August 1984, medical care costs have gone up 6.5 percent—the largest 12-month rise for any major CPI component.

In another development, BLS reported that real earnings of nonfarm production or nonsupervisory workers advanced by one-half of 1 percent last month.

Despite the modest improvement in earnings, which was the same as the one recorded in July, real average pay is four-tenths of 1 percent below the level of a year ago. BLS blamed ''sizable drops in hours worked'' for the depressed earnings level.

In other economic developments:

- Under pressure from Congress to do something about the record-smashing trade imbalance, President Reagan reversed himself and moved to cut back overvalued American dollar. Although it declined sharply the next day, the dollar began to bounce back on the international money markets almost immediately.

The long-range success of any effort to take the fat out of the American currency was uncertain, because of the Administration's refusal to face up to the underlying problems of soaring deficits and the flood of foreign-made goods into the U.S. market.

- The Consumer Federation of America charged that consumers are paying banks tens of millions of dollars in ''excessive interest'' each month despite the fact that rates paid by large borrowers have fallen 50 percent since reaching an all-time high level four years ago.

Citing statistics compiled by the Federal Reserve Board, CFA said consumers have reaped few benefits from the decline in the prime rate from its peak of 20.5 percent in 1981 to its present level of 9.5 percent.

Credit-card rates ''continue to hover at record levels,'' CFA said, climbing from an average of 17.8 percent in August 1981 to 18.74 percent today.

''Contrary to bankers' claims,'' the consumer group said, ''consumer interest rates do not respond to market changes. (They) are a function of the unequal relationship between lenders with the power to set rates and consumers who are forced to accept those rates or do without credit.''

# Service Employees win court's approval to sue California on pay equity

San Francisco—A federal judge here ruled that the Service Employees may proceed with a pay equity suit against the state of California on behalf of 37,000 state employees in female-dominated jobs.

U.S. District Court Judge Marilyn Hall Patel rejected the state's argument to have the case thrown out.

The suit, filed by the SEIU-affiliated California State Employees Association, was certified as a class action—the largest ever brought under Title VII of the 1964 Civil Rights Act.

Judge Patel said that "the suit is particularly appropriate for class action treatment because the allegations of discrimination involve a state-wide civil service system in which decisions and policies regarding hiring, compensation, and promotion are likely to be highly centralized and uniform."

The judge held that the issues in the California case are different from those in a landmark Washington state case that was overturned by a U.S. appellate court panel earlier this year. The Washington state case had been brought by the State, County & Municipal Employees.

"The decision is a critical victory," SEIU President John J. Sweeney said. "Anyone who thought wage discrimination cases were dead after the Washington State decision better think again."

"Sex- and race-based wage discrimination is wrong, it's illegal and we will take whatever action is necessary to end it," Sweeney added.

### No effect

The judge said the ruling by the 9th U.S. Circuit Court of Appeals in the Washington State case "does not foreclose the application of Title VII to wage disparities between job classifications" held primarily by women and those held primarily by men where a discriminatory attitude is shown, even though the pay scales may have been the result of market forces.

"Judge Patel reaffirmed that wage disparities between male and female jobs may be a product of unlawful discrimination even if the jobs being compared are not substantially equal," explained Winn Newman, attorney for the SEIU, CSEA and the 10 members listed in the class action.

Efforts by the State of California to cut off SEIU's right to collect evidence to prove its case were thwarted by a court order to produce the information requested during a six-month discovery period.

The SEIU claimed a victory on extension of the period covered by the suit. The judge had ruled earlier that it would include only individuals who worked in female-dominated jobs with the state beginning in 1978—when state employee Nancy Shaw filed a discrimination complaint with the Equal Employment Opportunity Commission.

### Extended coverage

Under Title VII, however, all employees who worked for the state in female-dominated jobs since 1976—two years before Shaw's complaint was filed—become parties to the suit.

Judge Patel rejected the state's argument that the court should not consider the class action claims of intentional sex discrimination in job classification, recruiting, promotion and training because individual EEOC complaints were limited to sex bias in wages only. The judge held the issues raised in the Title VII suit are "reasonably related" to the EEOC complaints.

The court decision limited the class action to only women workers in the female-dominated job classifications, excluding men in those jobs from participation in the suit.

Despite the appellate court's overturning of the landmark decision in the Washington State case, the State, County & Municipal Employees and the state are negotiating to eliminate the pay disparities, as the legislature there appropriated $41.6 million to settle the pay discrimination case the union brought in 1982.

# Red Cross team aids relief effort for Mexico City

An American Red Cross emergency team has returned from Mexico City, spending a week there opening shelters, providing medical care and assisting in evacuation efforts after two major earthquakes struck the city Sept. 19 and 20.

Mitzi Rodriquez, AFL-CIO Community Services representative for Los Angeles and a member of Office & Professional Employees Local 30, worked with the Mexican Red Cross to set up the disaster operation and establish a working communications system to field calls from anxious relatives and friends trying to locate Mexico City residents.

Rodriquez said communications are still a major problem and that most messages from Mexico City are sent by ham radio operators or carried by travelers and airline workers leaving the country.

### Locating relatives

David Oliver, director of Labor Participation for the Red Cross, said union members seeking information about relatives and friends in Mexico should contact their local Red Cross chapter and their questions would be channeled into the volunteer ham radio system.

Rodriquez said the Red Cross continues to make search and rescue efforts and emergency aid its top priority. She noted that many areas hard-hit by the earthquake have not yet reported casualties and damage but added, "fortunately, not all of Mexico City was destroyed." Early estimates indicate several thousand people were killed and 400 out of nearly 200,000 buildings were severely damaged or destroyed, many of them government agencies.

# *Life of scab-hating Jack London subject of public television drama*

Jack London—writer, adventurer and political activist—is the subject of a one-man television play to be aired on public television Oct. 27.

"Yours for the Revolution," funded for television by the Auto Workers, the Michigan Council for the Arts and the Corporation for Public Broadcasting, has been performed for many union groups since opening in New York in 1979.

The play features Chuck Portz and opens with London's teenage years on the San Francisco waterfront.

London was well known for his belief in unions. His description of a strikebreaker is still widely quoted:

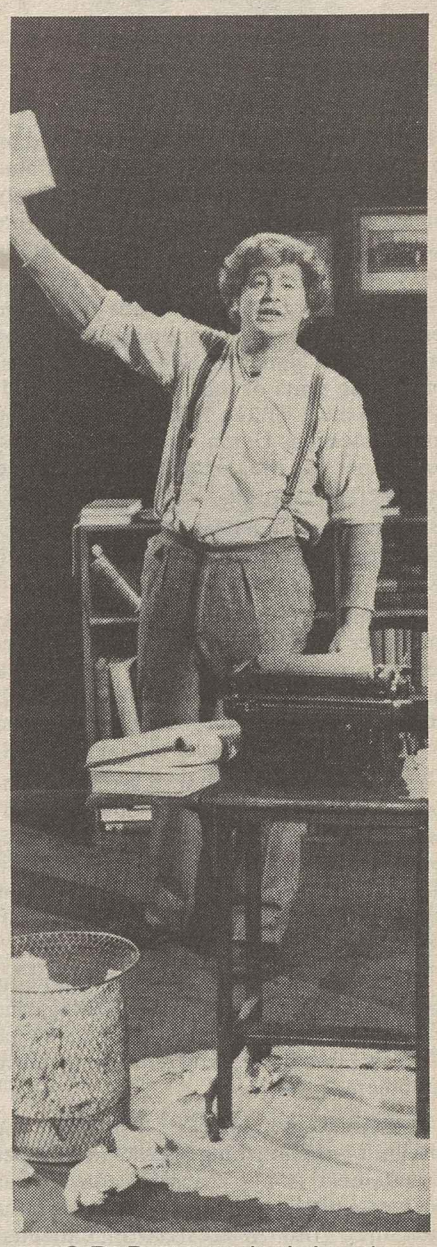
"After God had finished the rattlesnake, the toad and the vampire, he had some awful stuff left with which he made a scab.

"A scab is a two-legged animal with a corkscrew soul, a waterlogged brain and a combination backbone made of jelly and glue. Where others have hearts, he carries a tumor of rotten principles.

"Judas Iscariot was a gentleman compared to a scab. For betraying His Master he had the character to hang himself—the scab hasn't. There is nothing lower than a scab."

London wrote more than 48 books, reflecting his adventures in Alaska, his march east with "Coxey's Army," and his work as a war correspondent in Mexico and Japan. His best-known works included "Call of the Wild" and "The Sea Wolf." He died in 1916 at the age of 40.

London considered himself a worker and rejected characterizations of himself as a scholar or philosopher. "Before people had given me any of these titles," he declared, "I was working in a cannery, a pickle factory, was a sailor before the mast, and spent months at a time looking for work in the ranks of the unemployed. I was born in the working class."



C.R. Portz as Jack London.

# Trade adjustment bill gains in face of Reagan opposition

Committees of both the House and Senate have approved measures to renew the Trade Adjustment Assistance Act, which provides training and modest income support for workers whose jobs have been wiped out by imports.

The Reagan Administration has sought to kill off the program, and the President's budget proposal would have ended all funding. But both the House Ways & Means Committee and the Senate Finance Committee have included renewal of trade adjustment assistance as part of budget reconciliation bills, although in different forms. And in a letter to the Finance Committee, Labor Sec. William E. Brock indicated that the Administration is now rethinking its once adamant opposition to any extension of the law beyond its Sept. 30 expiration date.

While Congress won't meet the Sept. 30 deadline, it has already passed a resolution to allow temporary funding of government programs through the first weeks of the new fiscal year, which starts Oct. 1. Most agencies have not yet received their fiscal 1986 appropriations.

The Administration also was rebuffed in its proposal to end federal subsidies for Amtrak, the national passenger train system.

### Amtrak vote

A bill to reauthorize Amtrak operations passed the House by a 290-128 vote and was sent to the Senate. The $603.5 million authorized by the bill, a cut of about 15 percent from present levels, was included in an appropriations bill the House passed the previous week.

In other developments:

- The Senate completed action on a bill that was supposedly intended to curb illegal immigration. But it was badly marred by adoption of a labor-opposed amendment opening up the nation's borders to an influx of "guestworkers" for seasonal agricultural jobs. The amended bill passed on a 69-30 vote. The next step is up to the House.

- Despite Administration opposition to key provisions, the Senate moved toward passage of a bill renewing and expanding the Superfund toxic waste cleanup program. It would impose an excise tax on manufacturers to fund the program—a provision that has led to White House warnings of a possible presidential veto. But the Senate voted 49-45 to delete a section authorizing a small-scale experimental program to compensate victims of exposure to toxic wastes.

- A 79-20 vote in the Senate and unanimous approval by a House subcommittee sent a strong message that Congress is planning to remove social security from the federal budget—and end the ploy of seeking cutbacks in benefits in order to show a smaller federal deficit. Social security taxes currently bring more revenue to the Treasury than is paid out in benefits.

The Senate instructed its Budget and Finance Committees to bring legislation to the floor by early November. And the House panel approved a bill making the Social Security Administration an independent agency and separating its old age and disability fund from the federal budget.

# *New York teachers get 20% pay raise*

New York—Pay increases averaging 20 percent for the city's 59,500 teachers and 6,000 other school employees form the basis for a new three-year contract, retroactive to Sept. 1, 1984, awarded by a special arbitration panel.

The binding settlement is weighted heavily in favor of starting teachers, who will receive an immediate $4,000-a-year boost to $18,500, with a raise to $20,000 by September 1986. This represents a 38 percent increase over the three-year life of the contract.

For the most experienced teachers, the panel approved a 20-percent increase that will raise their present annual salaries from their current level of $34,076 to $40,700 next year. Pay for other teachers will be increased from a current $25,719 to $29,834 in 1986, a 16-percent improvement.

Teachers President Albert Shanker praised the panel for granting major increases to starting teachers. He warned that even with the new pay scales, city teachers would continue to lag behind those employed in neighboring suburban school districts.

"What you have here," Shanker said, "is something that is attractive in terms of bringing people in, but is not attractive in keeping them."

### Give and take

In approving the pay increases, the arbitrators offset part of the cost of the package by making some reductions in paid sabbaticals and by increasing administrative duties for present and future teachers.

Meanwhile, teachers in Pawtucket, R.I., ratified a new three-year contract, to end a 13-day strike during which 53 union members were jailed and fined.

Only 166 AFT members still remain on strike as the union reported the beginning of this year to have had the lowest number of work stoppages in recent years. The unsettled dispute involves members of Peters Township AFT local in Washington County, Pa., who went on strike Sept. 3.

The AFT's Pawtucket agreement provides pay raises over three years totaling 19.5 percent—6 percent the first year, 6.5 percent the second and 7 percent the final year.

The Pawtucket strike was the 10th strike in the city since 1946. Rhode Island law forbids strikes by teachers.

Superior Court Judge Corrine Grande found 53 teachers in contempt of court for ignoring a back-to-work order. They were jailed and fines of $500 a day were levied against the teachers and $10,000 a day against the union.

The teachers were released from jail on ratification of the agreement. A court hear ing is set for Sept. 30 on whether the teachers and the union will have to pay about $76,000 in fines.

# Philadelphia news strike in 4th week

Philadelphia—With agreement reached on all non-economic items, the leaders of nine local unions turned their attention to hotly contested economic issues, as the strike against the Philadelphia Inquirer and the Daily News entered its fourth week.

The joint bargaining on wages and fringe benefits is being conducted by the Philadelphia Council of Newspaper Unions, comprising units of the Newspaper Guild, Typographical Union, Machinists, Graphic Communications Union, and the unaffiliated Newspaper & Magazine Employees and Teamsters.

The strike, which began Sept. 7, involves 4,700 employees of the newspapers, which are part of the giant Knight-Ridder chain.

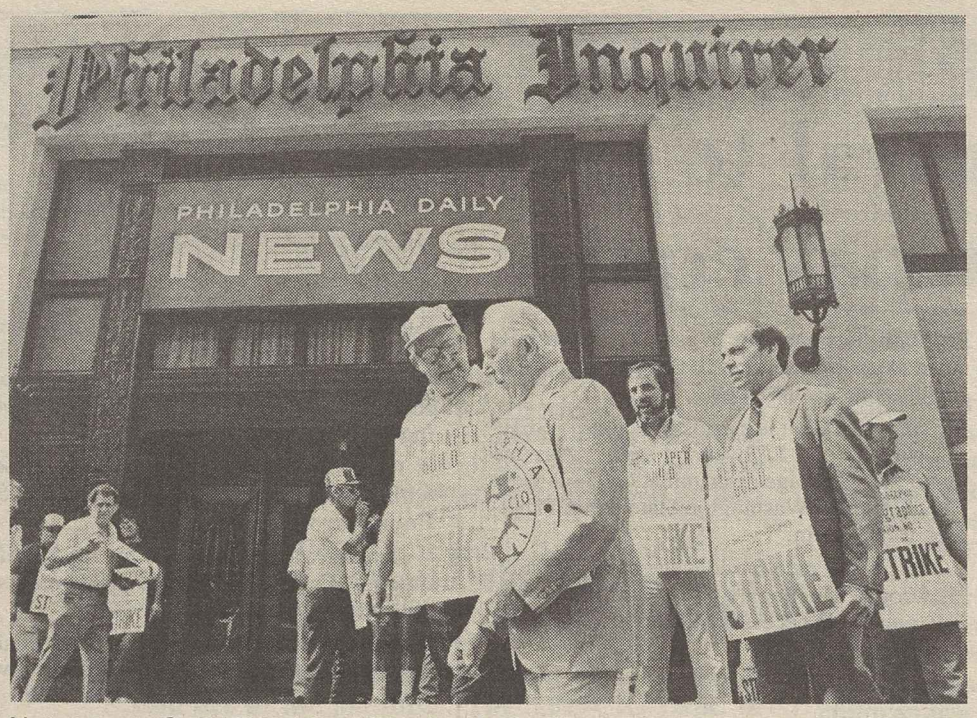
The unions could face protracted negotiations over economic issues, since management's pre-strike offer of a $90-a-week package over three years for all unions fell far short of their joint goal for wages and benefits totaling $200 over the same period.

The Guild was the first to settle its non-economic issues, winning "substantial adjustments" in pay rates for several female-dominated jobs, plus company agreement to withdraw its petition to the National Labor Relations Board seeking the exclusion of 110 workers from TNG coverage.

The last to settle its non-economic items was the unaffiliated Newspaper & Magazine Employees, which reached agreement on the staffing of new automated mailing equipment.

The joint council is exploring the possibility of publishing a strike newspaper if settlement is not reached soon. It has received a pledge of assistance from unions publishing the Wilkes-Barre Citizens' Voice, a 50,000-circulation daily launched in a 1978 strike.

The current negotiations mark the second time that Philadelphia newspaper unions, whose contracts have a common expiration date, have joined in coordinated bargaining.




Newspaper Guild President Charles A. Perlik, Jr., and Philadelphia AFL-CIO President Edward F. Toohey join the members of nine local unions on strike against the city's two daily newspapers.

# Vermont legislative agenda stresses strong safety laws

Mt. Snow, Vt.—Strengthening the state's labor laws and improving safety and health in the workplace are key items on the agenda of the Vermont AFL-CIO for the coming year.

Delegates to the state federation's 30th annual convention voiced their concerns about job safety and health, especially for workers in Vermont's granite, asbestos and gravel mines. The convention called for strengthening of the Mine Safety & Health Administration's programs and hit proposals to reduce the agency's funding.

The delegates called for improvements in the state workers' compensation system, including a guarantee that injured workers will have a job to return to after recovering from their injuries. The convention also urged the state legislature to ensure that injured workers receive their benefit payments without delay.

Other resolutions passed by the delegates called for improvements in the state's unemployment compensation system, support for a state equal rights amendment to be included on the November 1986 ballot, early notification to workers, communities and the state of plant closings, and a "little Davis-Bacon" prevailing wage bill for state funded construction projects.

Ralph Crippen of the State, County & Municipal Employees was elected executive vice president to succeed Maurice Fortier who did not seek re-election. President Robert E. Clark and Sec.-Treas. Wendell Pelkey were re-elected without opposition.

### Legislative successes

Gov. Madeleine Kunin (D) told the delegates their efforts were instrumental in the passage of a state "right-to-know" law on hazardous substances which she said will benefit every community in Vermont. She also thanked the state federation for help in winning an increase in the state's minimum hourly wage, scheduled to reach $3.65 by July 1988.

Senators Patrick Leahy (D) and Robert Stafford (R) and Rep. James Jeffords (R) also addressed the delegates during the three-day convention.

A workshop session sponsored by a special tri-state project of the Occupational Safety & Health Administration covered hazardous substances, electrical safety, and other job-related health concerns and focused on ways local unions could establish similar programs.

Other speakers included Alan Kistler, director of the AFL-CIO Dept. of Organization & Field Services; Community Services Director Frank Emig; AFL-CIO Region VIII Director John F. O'Malley; Al Barkan, retired national COPE director; John E. Mara, secretary-treasurer of the Union Label & Service Trades Dept.; Eastern area VIP Director Ruth Colombo of COPE; Madeline Matchko, Region VIII COPE Director, and John Brown, legislative director of the Operating Engineers.

# Miller re-elected to third term in Florida convention contest

Miami Beach, Fla.—Florida AFL-CIO President Daniel J. Miller was re-elected to a third four-year term in a spirited contest at the state federation's annual convention here.

In a weighted vote by the 500 delegates, Miller defeated Donald G. Resha, executive vice president for the last eight years, 49,797 to 39,987. Miller's running mate, Sec.-Treas. Joe Martin, was elected executive vice president over Frank Ortis of the Machinists, who campaigned with Resha.

Susan Wilson, an Electrical Workers' local business agent who also ran on Resha's slate, was elected secretary-treasurer over James McClellan, a local business representative of the Carpenters.

Miller and Resha, both IBEW members, likened the election contest to "a family fight between two brothers."

In other convention action, delegates endorsed a proposed state constitutional amendment to set up a lottery to aid in funding education programs.

Gov. Bob Graham (D) expressed concern that the Reagan Administration's move to abolish low-cost housing loans in a threat to the construction industry and to low- and middle-income families.

Food & Commerical Workers Vice President Don Cash urged convention delegates to remind their local members not to buy Marvel turkeys.

A national boycott against the Virginia-based firm remains in effect, Cash said. Some 400 UFCW members are on strike against Marvel.

Sen. Joseph R. Biden, Jr., (D-Del.) scored President Reagan's poor performance in reducing the budget and trade deficits and for not living up to his campaign promises.

Chuck Johnson, AFL-CIO community services liaison with the Red Cross, presented IBEW Local 915 with an award for being the first local involved in the AFL-CIO/Red Cross Coastline Disaster Project. Four other locals were honored at the convention for their participation in the project.

## Letter campaign yields safety training measure

Albany, N.Y.—A letter-writing campaign spearheaded by the New York AFL-CIO and 40 affiliates led to the enactment of a $2-million state fund to provide grants for unions and other qualified groups to conduct occupational safety and health training.

State Federation President Edward J. Cleary said, "The bill will more than pay for itself by minimizing hazards on the job."

The landmark program will be funded by an assessment on workers' compensation contributors.

# Noise standard goals advanced by court ruling

**Continued from Page 1**

the full job and that labor is satisfied with it."

The regulation, one of the few adopted under the Reagan Administration, was reviewed by the full eight-judge 4th U.S. Circuit Court of Appeals at OSHA's request after the court's three-judge panel had declared the rule invalid. The AFL-CIO had filed an amicus brief in support of the Labor Dept.'s case.

In reversing the panel's split decision, the court rejected the Forging Industry Association's challenge to the amendment.

The panel held that since workers could be exposed to harmful noise levels outside the jobsite, OSHA could not hold employers responsible for hearing protections.

The court decision, written by Judge James M. Sprouse, strongly refuted the employer group's argument that OSHA was trying to regulate "non-occupational hearing loss." Judge Sprouse had been the lone dissenter on the review panel's finding.

Judge Richard F. Chapman, who had written the opinion, reversed himself in agreeing with the full court decision.

### Authority upheld

The court held that OSHA had authority to amend the standard and that it provided considerable scientific evidence that workers' hearing was being impaired under the previous regulation.

The court said, "The amendment does nothing more than ensure that a hearing-endangered worker is provided with protection in the workplace in order to decrease the risk of hearing impairment."

Since its inception, OSHA has regulated noise levels in the workplace. Its standard set a maximum exposure limit of 90 decibels averaged over an eight-hour period.

Following nine years of hearings and studies, OSHA issued a hearing conservation amendment in March 1983 as a temporary measure while it explored the need to reduce the exposure limit.

The decision noted that the amendment is concerned with noise in excess of 85 decibels. "Non-occupational noise of that intensity sustained over a period of eight hours each day is hard to imagine," the decision said.

## PBS to air documentary on South Africa unions

"Leading the Way: Black Trade Unions in South Africa" is the newest television producion of the AFL-CIO's Labor Institute of Public Affairs to be aired on Public Broadcasting System stations.

A special segment of the America Works program, the documentary focuses on the problems of non-white workers under the South African system of apartheid and the support of the American labor movement for the struggling black unions.

The production will be beamed by satellite to PBS stations for their use by the end of the year. The premiere showing in the Washington area will be Sept. 29 at 10:30 p.m. on Channel 32.

# *Schedule of Labor Studies Center courses*

The George Meany Center for Labor Studies will offer 10 institutes, workshops and programs during October and November. The schedule:

**Right-to-Know: Make It Work,** Sept. 30-Oct. 1—A two-day program for union staffers who train local union members in using right-to-know laws to monitor employer compliance.

**Television: The Cool Medium,** Sept. 30 Oct. 3—A four-day workshop to coach union officers before TV cameras and working with TV reporters.

**Computers for Local Unions,** Oct. 6-10 & Nov. 24-27—An introductory course for unions thinking of buying computers or upgrading existing systems.

**Effective Speaking,** Oct. 6-11—A workshop to coach union leaders on how to select, prepare and deliver the message.

**Discipline & Discharge Arbitration,** Oct. 20-24—An institute to examine standards applied in arbitration hearings on discipline and discharge cases.

**Contract Administration: Life without Arbitration,** Oct. 27-31—A program to explore speedier and low-cost alternatives to arbitration.

**Union Administrator & Business Agent,** Nov. 3-8—A class for full-time officers on office management, budgeting, contract administration and reaching members.

**Using Microcomputers in Negotiations,** Nov. 10-15—An institute for staff members on how to use microcomputers in contract negotiations.

**In-House Opinion Polling,** Nov. 24-27—A seminar on polling techniques, membership survey methods and setting up survey offices.

An institute on Advanced Arbitration Techniques will be held at the University of Oregon campus in Eugene, Nov. 3-8.

Three AFL-CIO affiliates will use the campus for their own training programs during October: Industrial Union Dept., Sept. 29-Oct. 2; Utility Workers, Oct. 16-18, and Communications Workers, Oct. 28-31.

The American Institute for Free Labor Development will have 40 Latin American trade unionists on campus Oct. 6-8 to study management of cooperatives.

The African-American Labor Center will bring union leaders from 16 African countries on campus Oct. 20-Nov. 8 to study union structure and management, industrial relations and economics.

More information on these and other labor studies courses is available from Robert Pleasure, executive director, George Meany Center for Labor Studies, 10000 New Hampshire Ave., Silver Spring, Md. 20903; Tel. 301/431-6400.

# EDITORIALS

## Little and Late

WHITE HOUSE officials, showing a most unusual reticence, decided not to seek or allow television coverage of President Reagan's recent speech on trade policy.

The no-television decision was made by Treasury Sec. James A. Baker 3d, according to press reports. His reasoning, it seems, was that television coverage might somehow suggest the existence of a "crisis."

But of course the out-of-control trade deficit has reached the crisis stage, and the tragedy is that the President and his advisers still refuse to recognize it as such.

The small steps President Reagan says he is prepared to take could and should have been taken long ago. At best, their impact will be marginal and delayed. Meanwhile, some 3,500 U.S. jobs are being wiped out each day. Surely that is a crisis.

We are told that the White House free-trade ideologues and the so-called pragmatists battled mightily over the approach the President should take.

In the end, there was strong rhetoric for "free trade" and equally strong rhetoric for what the President termed "fair trade."

President Reagan announced that he has already acted to eliminate unfair trade barriers—by asking the U.S. trade representative to investigate "a Korean law that prohibits fair competition for U.S. insurance firms" and "Japanese restrictions on the sale of U.S. tobacco products."

What more could any steel, textile or shoe worker ask?

The President invited Congress to join his trade team. But he made it clear that any legislation to "diminish international trade" faces a veto.

Republicans have complained that the Democrats are making political hay with the trade issue. But to the extent that may be the case, the remedy is obvious. It consists of listening to their constituents and voting accordingly.

The folks back home know there is a trade crisis, even if the word hasn't yet reached the cloistered President.

## The Winning Formula

WHEN TIMES are bad, collective bargaining is often at its best. That's not really a contradiction, even though the thrust of the trade union movement is a continuing quest for a higher standard of living and a more humane workplace.

Obviously, pay raises, higher pensions, longer vacations—the traditional products of union-management negotiations—are most likely in times of prosperity. But the same process that achieves these gains in good times can reconcile the concerns of workers and management in times of retrenchment.

The AFL-CIO Committee on the Evolution of Work stressed in its report earlier this year the flexibility of collective bargaining—as a process "shaped by the times, the circumstances and the interplay between particular employers and employees."

We saw that in the depths of the Reagan recession—which unfortunately is not over for all of American industry—when some employers genuinely needed concessions to preserve jobs and stay in business.

The smart managements put their cards on the table, allowed unions to verify the legitimacy of the need, and explored jointly a wide range of options. Since bargaining is a two-way street, unions often were able to gain important protections for their members and assurance of an opportunity to recoup when business conditions improved.

Not all such efforts had a happy ending, of course. There are industries and companies whose survival cannot be negotiated at the bargaining table.

But given a management that looks on its workers as men and women with a stake in the company, the flexibility of the collective bargaining process remains the best formula yet devised for business survival.




**Washington Window**

# Reagan distorts history to muddle trade issue

**By Press Associates, Inc.**

The specter of the 1920s is hovering over America of the 1980s. President Reagan is beginning to look more like a composite of Harding, Coolidge and Hoover.

The parallels have been developing for years, but the atmosphere on Capitol Hill on the trade issue has made it perhaps a little clearer than ever.

Legislators came back from the August visit to their constituencies alarmed over the trade deficit and the worsening condition of the nation's industrial base.

Mills and factories of America are shutting down week after week, in town after town, in region after region. Low-wage imports have been devastating jobs and communities for years, wiping out an estimated 3 million jobs since 1980.

Suddenly, with the 1986 elections providing a sobriety test, members of Congress are rushing to catch up with the American people.

Always one to put off unpleasant realities as long as possible, Reagan tried to scare Congress and the public with another history-mangling story.

### Hatcheting history

"A mindless stampede toward protectionism will be a one-way trip to economic disaster," Reagan told a televised press conference. "That's the lesson of the Smoot-Hawley tariff in 1930, which helped to trigger a worldwide trade war that spread, deepened and prolonged the worst depression in history."

It is hard to rectify such a distortion of history, disseminated over TV and spread on all the front pages across the nation.

But to historians, the 1920s prepared the way for the Great Depression. Early on, steelworkers, underpaid and averaging a 69-hour workweek, struck for an eight-hour day and their strikes were broken. During the decade, the use of injunctions crushed strikes and the American Plan of organized employers spread the open shop and cut union membership to 3.6 million.

There was a surface prosperity to the era, but most of the population lived below the poverty line. With a growing maldistribution of wealth, the purchasing power of the mass of people could not buy the goods they produced. Speculative activity increased until the stock market crashed in October 1929.

As for tariffs on imports, the decade opened with Congress passing and Harding signing the emergency tariff of 1921 to protect U.S. farm products. More important, historians say, was the Fordney-McCumber tariff of 1922 which raised duties on imports by as much as 50 percent.

### Overplayed part

The so-called Smoot-Hawley tariff bill was signed by President Hoover in 1930 over the protests of 1,028 economists, as Reagan noted. However, the Great Depression already was under way. Hawley-Smoot, the correct name of the bill, didn't help matters, but it was hardly the major factor in history portrayed by Reagan.

There are other parallels from the 1920s. While Harding died a broken man, betrayed by appointees who took bribes in the Teapot Dome scandal, today's corporate wheeler-dealers were smarter. They raided the U.S. Treasury legally through Reagan's tax cuts of 1981, depriving the government of an estimated $750 billion in revenues and helping to create the record budget deficit. As budget chief David Stockman said of Reagan's business allies, things got out of hand and "the hogs were really feeding."

It is said that history can repeat itself, though not in exactly the same way. The myth of benevolent capitalism in the 1920s has been replaced by the myth of "free trade."

As organized labor and affected industries seek some recognition of their problems from Congress, the growing debate should not obscure what is really at stake. And that is the need for a strong, balanced economy to enable this political democracy to preserve freedom in a still dangerous world.

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AFL-CIO LEGISLATIVE

# ALERT!

# Nearly 200 Congressmen Sign Resolution Against Benefits Tax

The number of congressmen that oppose taxing employee benefits is growing daily. Those listed below have already signed a resolution to that effect, sponsored by Rep. Augustus Hawkins (D-CA). If your congressman is not one of them, contact him or her today!

ALABAMA: Bevill, Erdreich, Nichols, Shelby. ARKANSAS: Robinson, Hammerschmidt. CALIFORNIA: Bates, Bosco, Burton S., Coelho, Dellums, Fazio, Hunter, Lewis J., Pashayan, Dixon, Dymally, Hawkins, Martinez, Torres, Waxman. COLORADO: Schroeder, Brown, Kramer. CONNECTICUT: Gejdenson, Johnson, McKinney. FLORIDA: Fascell, Fuqua, Lehman W., Smith L., Bilirakis, Mica. GEORGIA: Darden, Gingrich. HAWAII: Akaka. IDAHO: Stallings, Craig. ILLINOIS: Bruce, Evans L., Gray K., Madigan, Annunzio, Collins, Hayes, Savage, Yates. INDIANA: McCloskey, Visclosky, Hiler, Sharp. IOWA: Bedell, Leach, Lightfoot. KANSAS: Roberts. KENTUCKY: Hubbard, Mazzoli, Natcher, Perkins. LOUISIANA: Breaux, Tauzin. MARYLAND: Barnes, Dyson, Mikulski, Mitchell, Bentley. MASSACHUSETTS: Mavroules, Moakley, Conte, Markey, Studds. MICHIGAN: Carr, Kildee, Traxler, Davis, Conyers, Crockett, Ford W., Hertel, Levin, Siljander. MINNESOTA: Oberstar, Penny, Sikorski, Vento, Stangeland. MISSISSIPPI: Dowdy, Lott. MISSOURI: Clay, Volkmer, Wheat, Young R., Taylor. MONTANA: Marlenee. NEW HAMPSHIRE: Smith R.. NEW JERSEY: Dwyer, Florio, Howard, Rodino, Roe, Torricelli, Courter, Rinaldo, Gallo. NEW MEXICO: Richardson. NEW YORK: Nowak, Boehlert, DioGuardi, Fish, Gilman, Horton, Lent, Wortley, Ackerman, Addabbo, Garcia, Manton, Mrazek, Owens, Scheuer, Solarz, Towns, Weiss. NORTH CAROLINA: Hefner, Jones W., Rose. OHIO: Applegate, Eckart, Feighan, Hall T., Kaptur, Luken, Stokes, Traficant, McEwen. OKLAHOMA: Edwards M., English. OREGON: AuCoin, Weaver, Wyden. PENNSYLVANIA: Edgar, Gaydos, Kanjorski, Kolter, Kostmayer, Murphy, Walgren, Yatron, Clinger, Coughlin, McDade, Ridge, Shuster, Borski, Foglietta, Gray W., Coyne. RHODE ISLAND: Schneider. SOUTH CAROLINA: Tallon. SOUTH DAKOTA: Daschle. TENNESSEE: Boner, Gordon, Jones, Lloyd, Quillen. TEXAS: Brooks, Bryant, Coleman, de la Garza, Frost, Leland, Wilson, Wright, Bustamante, Hall. VIRGINIA: Boucher, Daniel, Whitehurst. WASHINGTON: Dicks, Lowry, Swift. WEST VIRGINIA: Mollohan, Rahall, Staggers, Wise. WISCONSIN: Aspin, Kastenmeier, Kleczka, Moody.

## Lugar Lifts One For The Gipper

What do you do in the Senate when you want to make sure a bill or motion on a bill cannot come up for a vote? Why, "pilfer" it, of course.

According to a UPI article published in The Washington Post, Senator Richard G. Lugar (R-IN), chairman of the Foreign Relations Committee, wanted to prevent the Senate from taking any further action on the South Africa sanctions bill.

In order for a bill to be considered, it has to be physically present in the Senate chamber. According to the UPI report, "Without the knowledge of the Democrats, Senator Lugar went to the desk at the front of the chamber and took physical possession of the bill. Then he left."

Senator Edward M. Kennedy (D-MA) complained about Lugar's lifting one for the Gipper (President Reagan opposed the bill) and described Lugar's action as "trickery."

Senate Majority Leader Robert Dole (R-KS), however, claimed that he had checked with the Senate Parliamentarian and had found "precedents for it in other administrations."

## It's Late September, Do You Know Where Your Congressman Is?

Do you know where your congressman stands on this year's important worker issues? If you don't, now is the time to schedule an appointment to see him in person.

It's easy, just call or write the AFL-CIO Legislative Department and you will receive a host of materials that will enable you to become an effective grass-roots lobbyist. These include in-depth lobbying reports on each member of Congress, tips on how to conduct your meetings, fact sheets and much more. The tools are available, now all you have to do is use them.

## *Handful of Reps. Hold Swing Vote In Tax Committee*

The 36 members of the House Ways and Means Committee have become the key players in the struggle over fair tax reform. Mark-up of the White House package that contains a tax on employee benefits and other dangerous provisions has already begun.

Examination of each member and their opinions reveals they fall into one of four categories: those who are with us and will vote right, those who are leaning right, those who are leaning wrong and those who are wrong. It's the handful of "leaning" votes that will likely decide the fate of worker supports.

According to letters, personal contact and reports from back home, the break-down of committee members as the Alert went to press was as follows:

Right -- Rangle, Dorgan, Kennelly, Ford, Stark, Pease, Donnelly, Jacobs, Heftel, Coyne, Crane, McGrath, Daub, Frenzel and Guarini.

Leaning Right -- Jenkins, Downey, Fowler, Russo, Flippo, Duncan, Schulze, Gregg and Vander Jagt.

Leaning Wrong -- Rostenkowski, Gephrdt, Matsui and Anthony.

Wrong -- Gibbons, Pickle, Jones, Archer, Moore, Campbell, Thomas and Gradison.

At this critical time, any contact with a committee member, be it a card, letter or personal visit, could make a big difference in the fight for tax fairness, particularly those members who are still uncommitted.

## Tax Reform: Major Areas At Stake As Committee Considers Package

| Issue | Reagan Proposals: | AFL-CIO Position: |
|---|---|---|
| Benefits Tax | Up to $300 per year in new taxes for family health insurance and full taxation of unemployment, worker's comp. and death benefits. | No new tax on the health and other life-support protections. |
| Tax Rates | Limit of only three tax brackets, that cut tax on wealthy to only 35 percent. | More than three tax brackets are needed, so the wealthy will pay their fair share. |
| State And Local Deductions | Present deduction for state and local taxes paid eliminated, placing burden on middle class taxpayers to make up difference. | Present system of deduction prevents double taxation and is fairer to locales that finance schools and public services. |
| Personal Exemption | Personal exemption raised to $2000 per person, discrinating against middle class and small families. | A credit would be fairer to all. Deductions for personal exemption would give wealthy $700 per dependent, but give low income taxpayer $300 per dependent. |
| Corporate Taxation | Loopholes remain, allowing many huge corporations to pay little or no taxes. | Lawmakers should look here to close loopholes on wealthy and tax-avoiding corporations, |
| Revenue Neutrality | Tax bill would raise taxes on some, cut on others but total package would take in same revenue as presently. | Tax neutrality means less likelihood of raising funds from wealthy and prevents any reduction of deficit -- the main fault of tax code today. |

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OCTOBER 5, 1985

MEMO FROM COPE
PAGE 8

# Fairness key to tax reform




## No bargain for consumers

Do imports mean lower prices for the American consumers?

A closer look at the costs of imported and American-made shirts shows who really profits from low-wage foreign imports.

Three foreign-made shirts get the same $18-price-tag as an identical American-made garment, meaning big profits for retailers and no savings to consumers.

In another example, the Clothing & Textile Workers compared the costs of men's long-sleeve broadcloth shirts manufactured in America and overseas and then reviewed the price tags set by a major retailer.

The wholesale cost of the made-in-America shirt at $6.50, plus the retailer's 100 percent markup, made the total retail price $13.

The cost of the same shirt made in Korea was $4.25, including labor, shipping and tariffs. The retailer added a 206 percent markup of $8.75 and sold the shirt for $13.

For every imported shirt sold, the retailer made an extra $2.25. On an annual basis, the union found, the retailer imported 250,000 dozen shirts for a total additional profit of $6.75 million.

Imports may be cheaper to make, particularly in Korea where wages average 79 cents an hour, or China, where clothing workers earn 16 cents an hour, but they're no bargain for American consumers and workers.

Imports have wiped out 300,000 apparel and textile jobs since 1980, and over the next five years 2 million more jobs will be lost unless imports are controlled, apparel unions estimate. Last year textile and clothing imports grew 32 percent. They have doubled since 1981 and now control over 50 percent of the U.S. market.

Organized labor has urged Congress to adopt the Textile & Apparel Trade Enforcement Act to limit imports.

## *Kirkland hits proposals as anti-worker*

**By David L. Perlman**

AFL-CIO President Lane Kirkland called on the House Ways & Means Committee to break free of the ''parameters'' set by the Reagan Administration and make fairness the thrust of tax reform legislation.

Kirkland's letter to Commitee Chairman Dan Rostenkowski (D-Ill.) expressed labor's concern that the starting point for shaping a tax bill to be brought to the House floor is far distant from the goal of tax equity.

Both the Administration proposal and the starting draft of the tax bill being marked up by the committee would impose new taxes on workers to recoup revenue losses resulting from another huge tax cut for persons in the highest income brackets.

The top tax rate—which was 70 percent when President Reagan took office—would be slashed from its present 50 percent level to 35 percent. But workers would face new taxes on employer-provided benefits and the two-earner tax deduction for working couples would be eliminated.

### Loopholes remain

Under both versions, there would be only a modest shift of the tax burden from individuals to corporations. Business tax loopholes that could be used to reduce the deficit would be left open or only partially closed. Both versions accept President Reagan's insistence that the tax changes be ''revenue-neutral.''

Any tax reform bill locked into those boundaries is destined to fail the test of fairness, Kirkland protested.

Kirkland urged the committee to reject all proposals to tax workers on employer-provided benefits. He also strongly opposed efforts to end the existing deduction for state and local taxes, and those proposals that would abolish the two-earner and child-care tax credits.

The House committee's draft bill would tax employer-paid premiums above $120 a month for individuals and $300 for families. The President's latest plan would tax a portion of every worker's health insurance.

But the committee's draft bill would also end the existing tax exemption for group life insurance, death benefits, education assistance, group legal services and even van pooling. The Administration had originally proposed taxing a broad array of worker benefits but backed off somewhat under a storm of protest. However, it still wants to

Continued on Page 3

## *'85 trade deficit tops $91 billion and still growing*

The U.S. foreign trade deficit grew by $9.9 billion during August, deepening concerns that this year's shortfall is certain to eclipse 1984's record-smashing $123.3 billion.

The trade gap for the first eight months of 1985 stood at $91.1 billion, the Commerce Dept. said, up sharply from the $83.9 billion deficit racked up during the same period last year.

The figures show that the nation's international trade accounts are ''hemorrhaging,'' AFL-CIO Research Director Rudy Oswald said, blaming the imbalance between exports and imports for a recession level jobless rate of 7 percent, and the

Continued on Page 4

## House majority opposes assault on job benefits

A majority of the entire House of Representatives is cosponsoring a labor-backed resolution opposing taxation of employer-paid job benefits.

The tally of sponsors reached the goal of 219 on Oct. 1 and had mounted to 232 a day later, with further additions likely. Sixty-two Republicans joined 170 Democrats to send a bipartisan message to the House Ways & Means Committee as it began the process of putting together a tax reform bill.

Both President Reagan's tax plan and the version the Ways & Means Committee is using as a starting point would impose new taxes on worker benefits. The resolution initiated by Rep. Augustus F. Hawkins (D-Calif.) expresses ''the sense of the House of Representatives that employee benefits not be taxed.''

In other congressional developments of importance to workers and their unions:

- The Senate gave a 53-42 bipartisan endorsement to a labor-supported, Administration opposed bill to curb textile and apparel imports and reserve 40 percent of the U.S. shoe market for American-made shoes.

The legislation was offered as an amendment to an unrelated, Administration-sought bill involving a military agreement with Micronesia. The 53-42 vote defeated a motion to table and thus kill the import amendment. The Senate Republican leadership then set the bill aside, putting off a showdown until a later date.

- Congress continued the trade adjustment assistance program beyond its Sept. 30 expiration date by including a 45-day extension of the law in a bill signed by President Reagan that also continued the existing federal cigarette tax. A longer-term continuation of the program is expected to clear Congress before the end of the session.

- A compromise partly defused an attempt to deny federal wage-hour protection to state and local government employees whose coverage under a 1974 law was upheld earlier this year by the Supreme Court. Although the coverage is in effect, the Labor Dept. had said it would not start enforcing it until Oct. 15.

Mayors and other public employers had pressed for an exemption from overtime pay requirements, and the issue was expected to

Continued on Page 4

## For earthquake victims

**The AFL-CIO has set up a Mexican Earthquake Relief Fund to aid victims of the disaster that recently struck Mexico City, causing thousands of deaths and injuries. The federation's Executive Council has approved a $25,000 contribution to the fund.**

**In a letter to affiliated unions and state and local central bodies, AFL-CIO President Lane Kirkland stressed that while the immediate needs of the suffering Mexican people are being met, ''additional aid to the victims as well as long-term rehabilitation programs are matters of great concern.''**

**Mexican officials estimate the earthquakes caused nearly 5,000 deaths, with another 2,000 persons still missing. More than one million workers have been left unemployed.**

**Persons wishing to join in the assistance effort can send their donations to the AFL-CIO Secretary-Treasurer, marked for the Mexican Earthquake Relief Fund.**

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AFL-CIO President Kirkland tells New York rally that Solidarnosc, not Gen. Jaruzelski, speaks for the Polish people.

# Kirkland hits Jaruzelski's 'bloody' rule

New York—Poland's Gen. Wojceich Jaruzelski came to this country ''with blood on his hands,'' AFL-CIO President Lane Kirkland charged as he renewed American labor's support for Solidarnosc, the outlawed Polish trade union movement.

Kirkland told a crowd of more than 3,000 that Premier Jaruzelski, who participated in ceremonies marking the 40th anniversary of the United Nations, was ''waging a relentless war of state thuggery, of water hoses, clubs and prison cells'' against his countrymen.

''It is a war of lies and intimidation and murder,'' he said, which has left the Polish communist leader with ''the blood of Solidarnosc (and) the blood of the Polish nation'' on his hands.

Speaking at the rally only a few hundred yards from the Polish mission to the UN, Kirkland charged that Jaruzelski also came to America to ''con our bankers and businessmen into granting new credits'' by convincing them that ''life has returned to 'normal' in Poland'' following the declaration of amnesty in July.

### Continuing oppression

Since then, ''more than 300 Solidarnosc activists have been arrested,'' Kirkland said, ''and Bogdan Lis, Adam Michnik and Wladislaw Frasnuik have been jailed following show trials reminiscent of the Stalin era.''

Despite the state's crackdown on the union, he declared, ''Solidarnosc lives—though underground,'' adding:

''The official company unions are spurned by the workers. Countless thousands of Poles risk their lives every day to sustain a vast network of trade union organizations, independent newspapers, publishing houses, educational and cultural societies—all independent of the state.

''They, and not Jaruzelski, speak for Poland.''

Other speakers included Mayor Edward Koch; Aloysius A. Mazewski, president of the Polish American Congress, and Habibullach Mayar of the Free Afghanistan movement.

# OSHA levies fine on Union Carbide for safety breach

The Union Carbide Corp. has been cited for a half-dozen ''willful and serious'' violations of federal safety standards relating to the Aug. ll release of a toxic cloud from the company's plant in Institute, W.Va. The escaping gas injured 135 area residents and six workers, including five members of the Machinists.

The Occupational Safety & Health Administration proposed penalties of $32,100 against Union Carbide, which said it will contest the citations.

''Union Carbide willfully violated their own company procedures, standard industry practice and federal health and safety regulations,'' Acting OSHA Administrator Patrick R. Tyson said.

The company was criticized strongly after the accident for its delay in notifying citizens about the hazard. Suits seeking more than $85 million have been filed against Union Carbide by residents who were exposed to the fumes.

### Negligence charged

OSHA accused the company of willful violations that involved negligence in exposing the six workers to the hazard of an uncontrolled toxic release, failure to follow company operating procedures in the transfer and storage of a toxic material, as well as emergency procedures, and failure to provide sufficient, accessible emergency respiratory equipment.

The serious citations included failure to provide respiratory equipment to workers temporarily assigned to the pesticide production unit, failure to provide adequate written operating procedures for emergency use of respirators, and electrical violations.

The OSHA citations were the result of a three-week investigation of the accident. The agency is currently conducting ''wall-to-wall'' inspections of all 19 divisions of the Institute facility, an action that should be completed by the end of the year.

# *Trade blunder erodes jobs in telecommunications field*

Unions representing telecommunications workers urged Congress to repair a five-year-old trade blunder that has cost the United States thousands of jobs and threatens further destruction of an industry in which this country should be a world leader.

Legislation being considered by the House Commerce Committee should compel presidential action to counter unfair trade practices, both the Communications Workers and the Electrical Workers stressed at House hearings. Discretionary authority for presidential action has been ineffective, the unions noted.

Since the breakup of the Bell System and the separation of the AT&T equipment manufacturing arm, foreign imports have flooded the U.S. market. But an agreement with Japan that was supposed to have opened the way to large-scale purchases of U.S. equipment by that country's telephone and telegraph system hasn't done so.

### Familiar pattern

It was against that backdrop of an increasingly familiar one-way flow of trade that CWA Executive Vice President Barbara J. Easterling and IBEW Research Director Robert B. Wood pressed for the strongest feasible legislative remedy.

The hearing was held by the two subcommittees concerned with the issue. Their chairmen—James J. Florio (D-N.J.) and Timothy E. Wirth (D-Colo.)—have cosponsored a measure that seeks to identify and counter barriers to U.S.-made telecommunications equipment. Following the joint hearing, both subcommittees cleared the bill for action by the full Energy & Commerce Comittee.

Wood testifying for IBEW President Charles H. Pillard, noted that from 1981 to 1984 the Japanese purchased only $61 million in telecommunications equipment from the United States, continuing to give preference to Japanese manufacturers. But under America's open trade policy, Japanese firms sold $1.9 billion in telecommunications equipment to the United States.

U.S. trade representatives in both the Carter and Reagan Administrations had worked, Wood said, and the time for remedial action is overdue.

Easterling said the CWA welcomed the approach taken by a bill sponsored by Sen. John Danforth (R-Mo.), which was recently approved by the Senate Finance Committee. It would restrict telecommunications equipment entry to U.S. markets from any country that denies U.S. equipment equally free access to its home markets.

A somewhat different approach, involving enforcement through the Federal Communications Commission, is provided in the Florio-Wirth bill.

The union witnesses welcomed the thrust of the legislation and urged a number of tightening amendments, which the subcommittees adopted, to make the bill more effective.

Especially important, they said, is the need to assure that there is no loophole that would exempt from import restrictions products produced abroad by U.S. companies.

# Washington unions launch coordinated organizing drive

Kelso, Wash.—A drive toward coordinated organizing was launched here by enthusiastic delegates to the Washington State AFL-CIO convention.

More than 400 delegates—a record high attended the convention and ratified a resolution calling for the mobilization of all available resources to facilitate organizing efforts.

The resolution established a committee to assist in the process, and called on local unions to pool information about union-busters operating in the state, and to share successful organizing tactics and strategies.

The convention was marked by the retirement of President Marvin L. Williams, who had held that post since 1980 and had been an officer for 21 years.

A statewide referendum is currently under way to fill the council's top positions. The Washington state federation is one of only a few state bodies which elects its officers in this fashion.

Contending for the presidency are Lawrence Kenney, Newspaper Guild, the council's outgoing secretary-treasurer, and Ralph Burnett, Woodworkers, currently board vice prisident. Campaigning for the secretary-treasurer's post are Al Brisbois of the Teachers and Richard Bever of the Plumbers.

The mail ballots will be tallied in December.

Former Rep. Brock Adams (D), considered a likely challenger in 1986 for the seat now held by Sen. Slade Gordon (R), received a convention ovation. A resolution was adopted urging him to run for the Senate post.

Gov. Booth Gardner (D) spoke out sharply against an initiative petition now being circulated which would permit private firms to write workers' compensation insurance, now handled exclusively by a state fund. The initiative, which would be on the 1986 ballot if it gathers enough signatures, would ''destroy benefits'' for injured workers, Gardner said.

The convention went on record against the initiative, and passed a resolution establishing a labor committee to monitor the way in which the state administers the insurance fund.

Kenneth Young, executive assistant to AFL-CIO President Lane Kirkland, told delegates that their drive toward coordinated organizing was in line with the AFL-CIO report on ''The Changing Situations of Workers and Their Unions,'' which recommended a series of possible actions to broaden and strengthen the labor movement.

### Issue of justice

Young termed the pay equity issue that the State, County & Municipal Employees have been pressing for state workers ''an issue of basic justice.'' He pledged the AFL-CIO's ''total commitment and full support'' to the effort.

Delegates attended workshops on labor's changing role, the privacy issue raised by drug screening tests, asbestos removal and safety programs, and worker's compensation.

Among the three dozen resolutions adopted by the convention were calls for:

- Health insurance for unemployed workers.
- Homeowners insurance for day-care facilities, many of which are facing cancellation by private insurers.
- Inclusion in collective bargaining agreements of a clause allowing parental leaves of absence of up to six months without loss of seniority or benefits.

# Expanded toxic hazard rule sought to protect all workers

The Food & Commercial Workers called on the Labor Dept. to expand coverage of its hazard communication standard to all workers, including barbers and beauticians who face high risks from exposure toxic substances.

UFCW President William H. Wynn expressed his concerns for not only the 40,000 UFCW members in the two trades, but also for the consumers who may be at risk of injuries ranging from cancer to serious skin disorders.

In a letter to Labor Sec. William A. Brock, Wynn noted that manufacturers of cosmetics and hair care products are not required to list product ingredients, some of which are known carcinogens, on the containers.

Wynn pointed out that various studies have shown that beauticians are at a higher risk than the general public of getting uterine and ovarian cancers, suffer higher rates of breast, digestive and respiratory cancers and are more prone to miscarriages and premature deliveries.

The attractive scents of shampoos, hair sprays and cosmetics hide the dangers of the toxic chemicals they contain, Wynn said. Methylene chloride is a common hair spray ingredient known to cause cancer in animals, and ethyl methacrylate used in many sculptured nail applications can cause neurological damage.

The AFL-CIO and the Steelworkers had successfully challenged the Occupational Safety & Health Administration's decision to limit coverage of its hazard communications standard to just manufacturing industries.

The 3rd U.S. Circuit Court of Appeals in Philadelphia has directed OSHA to reconsider the standard and extend it to all workers, unless it could show why doing so was not feasible.

# *Kirkland lists fairness as labor's top priority for shaping of tax bill*

**Continued from Page 1**

tax workers' compensation payments and the full amount of unemployment benefits.

Kirkland noted that two-earner families are fast becoming the norm in the United States, and said abolition of the second-earner deduction amounts to a tax increase for working families.

While Reagan wants total elimination of the present federal income tax deduction for taxes paid to state and local governments, the House committee drafts would allow a partial deduction for state and local income and real estate taxes.

Kirkland noted that the AFL-CIO's testimony earlier this year proposed a comprehensive overhaul of the tax code. He included in his letter to Rostenkowski a short list of labor's priority recommendations.

### Needed changes

In addition to opposition to new taxes on worker benefits, they included:

- A 45-percent tax bracket, which would apply to the portion of a joint return income over $100,000. Both the Administration and the committee bill would drop the top tax rate from 50 to 35 percent. With other modifications, labor's plan would add more than $4 billion a year in revenue.
- A modification of the higher personal exemption proposed by the Administration so that the tax savings would be more equitably shared.
- Reducing the exemption from taxation of capital gains income from the present 60 percent to 40 percent. The committee bill also would raise the effective rate of capital gains taxation, in contrast to the Administration version.
- Opposition to the Administration's proposal to give corporations a $6-billion tax windfall by allowing a 10-percent deduction on the dividends they distribute. The committee draft would phase in the Administration giveaway over 10 years.
- A lesser drop in the top corporate tax rate, which relatively few firms actually pay. The Administration proposed to cut the top rate from 46 percent to 33 percent. The committee draft has a 35-percent top, and the AFL-CIO proposal is for a 41-percent corporate tax ceiling.
- A minimum tax for both corporations and individuals with large tax exemptions that closes loopholes more adequately than the Administration plan. The committee draft bill moves in that direction.
- Giving corporations a tax deduction—not a tax credit—for taxes paid to foreign governments. This reform alone would add $10 billion in revenue, the AFL-CIO estimated.

Kirkland expressed concern to Rostenkowski that conformity to the Administration's concept of revenue neutrality could result in a bigger deficit and a further tilt of the tax structure to reward wealth.

"A fair tax system is one which is based on ability to pay and which raises sufficient revenues to meet the needs of society," Kirkland stressed.

### First step

"Removing the distortions from the current code—which could result in a net increase in revenue—would be a good first step in narrowing the budget deficit and bringing equity to our tax system," he urged.

Kirkland challenged the Administration's rationale in proposing legislation that would give 25 percent of the tax savings to the one-half of 1 percent of the population with incomes over $200,000.

"The head of U.S. Steel testified that the bill would reduce his personal tax bill by $168,000," Kirkland noted. "Surely those who are in such a position can afford less reduction," he suggested.

Proposals to tax established worker benefits such as health insurance stand in stark contrast to the bill's over-generous handouts to the wealthy, Kirkland pointed out. These life-support benefits, he stressed, serve a national purpose in providing needed protection to "a broad segment of the population which otherwise would be unable to afford it."



## Message to Congress

Coalition fighting toxic hazards collected one million signatures on petitions demanding a strengthened Superfund to clean up hazardous wastes. They were brought to this Capitol Hill rally along with samples of toxic wastes from dump sites in 100 communities. The Senate passed an expanded Superfund bill, 86-13. John O'Connor, coordinator of the National Campaign Against Toxic Hazards, joined by members of Congress, urged the House to adopt a stronger measure, citing concern over the thousands of toxic waste sites.

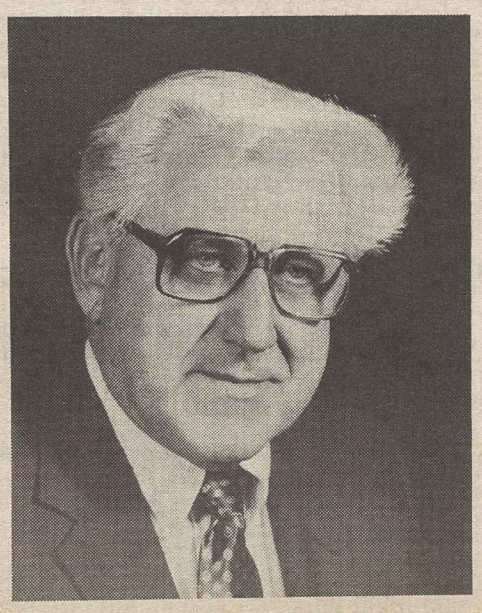
# Moore appointed IBEW secretary as Leigon retires

Jack F. Moore was named secretary of the Electrical Workers to fill out the unexpired term of Ralph A. Leigon, who retired Oct. 1. The appointment made by IBEW President Charles H. Pillard was approved by the union's executive council.

Moore had been the 11th District vice president since 1976, a post to which he was appointed after having served in various offices in IBEW Local 453 in Springfield, Mo. Moore also had served as president of the Springfield AFL-CIO and on the executive board of the state labor federation.

Leigon, who was named secretary emeritus by the executive council, had been secretary since 1976. He also served as a vice president and executive board member of the AFL-CIO Union Label & Service Trades Dept.

IBEW Rep. Ray Edwards was appointed to serve out Moore's unexpired term as 11th District vice president.



Jack F. Moore

# New 'guestworker' schemes draw Farm Workers' fire

There is no agricultural labor shortage for employers paying fair wages and providing decent working conditions, the Farm Workers testified at House hearings on immigration legislation.

UFW Vice President Dolores Huerta strongly condemned both the "guestworker" program included in the Senate-passed immigration bill and a modified version backed by the Reagan Administration. The clear intent, she charged, is to set back union organization among agricultural workers by assuring employers a steady supply of cheaper foreign labor.

"There is not a shortage of workers," Huerta told a House Judiciary subcommittee. There is a shortage of workers who are willing to be exploited by nonunion employers, she said.

Huerta charged that a chief Administration witness for the labor-opposed program was himself a large California grower with a sullied record as an employer.

Her target was Deputy Agriculture Sec. John Norton, one of a panel of officials who testified that the Reagan Administration supported the "principles" of a temporary guestworker program even though it hadn't yet agreed on the specifics of legislation.

### Filthy conditions

Huerta said that Norton, the former president of Western Growers, had headed a company that had been found guilty of firing entire crews of workers because they were union supporters and had housed workers in a Salinas labor camp without mattresses or bedding, and with filthy and stopped-up toilets. Workers are charged $60 a week for their board, she said.

Republicans on the Immigration Subcommittee objected loudly to Huerta's "defamatory" attacks on a government official, but Democrats responded that she had every right to speak to a matter of "public policy." A spokesman for Norton said later that accommodations for the Salinas lettuce workers were provided by a contractor, not directly by the Norton Co., and that the meal charge to the workers was $56 a week.

The "statement of principles" the Reagan Administration officials presented in their earlier testimony held that growers should be able to bring in crews of foreign workers to harvest "truly perishable crops." The growers have contended that existing law, which requires certification by the Labor Dept. that there is a shortage of domestic workers before foreign workers are allowed, is too cumbersome.

Huerta told the subcommittee that there are more than 220,000 unemployed farm workers already in the United States.

# Donahue cites role of unions as force for social change

Cambridge, Mass.—America's trade unions constitute "a vital, powerful and effective movement," working toward creating a society in which workers and the people hold more social power than government and corporations, AFL-CIO Sec.-Treas. Thomas R. Donahue said.

Speaking at the John F. Kennedy School of Government at Harvard University, where he delivered the 1985 Jerry Wurf Memorial Lecture—named for the late president of the State, County & Municipal Employees—Donahue said workers are engaged in a "struggle to achieve full participation" in society.

Organized labor, he said, "is a movement with faith in the nation and with faith in its own ability to make that nation more responsive to the needs of workers and those of all the people."

### Persistent struggle

Donahue reminded his audience that today's unions are "the net product of over 150 years of development, of successes and failures, and they reflect the fact that for all those years they have existed in struggle."

Employers have never welcomed unions, and communities have often been hostile to them. As a result, "the pages of U.S. labor history are filled with the sacrifice, and in some cases the blood, of workers," he asserted.

Those struggles and sacrifices, Donahue said, "continue today in southern textile mill towns, in western mining communities, in major cities and country towns where hospital and health care workers struggle for recognition, and wherever pickets walk."

Today's unions, he went on, "are the inheritors of all that history, the bearers of all those scars."

Although the past "holds great values for the lessons it can teach," Donahue said, it is no substitute for meeting the problems of the present. "In a world which changes as rapidly as ours, activists and leaders must learn from the past but must focus their attention on today and tomorrow."

For those who still "speak of the decline and death of the labor movement," he stressed that they "overlook the fact that (labor) is not merely a collection of institutions but is a movement, an idea, a philosophy, a piece of society."

The concept of unions, Donahue told the Harvard audience, "has existed and survived in one form or another ever since human beings first found themselves in the position of having to earn their daily bread by working for others, and it will exist as long as that arrangement continues."

Donahue added:

"Unions have no life of their own, apart from their members . . . and they change in every generation in whatever way the needs of those members dictate."

## Boycott rallies slated against Coors, Armour

Union members, students and consumers are targeting stores that sell Coors beer and Armour hot dogs for a nationwide protest on Oct. 10, sponsored by the Food & Commercial Workers.

The demonstrators will distribute balloons and handbills telling shoppers why the managements of Coors and Armour Processed Meats are unfair employers and urging consumers not to buy their products.

Members of AFL-CIO unions have been invited to join in the demonstrations.



Bricklayers' election winners: President John T. Joyce, left, and L. Gerald Carlisle, the new secretary-treasurer.

# Bricklayers vote to broaden process of decision making

Las Vegas, Nev.—Delegates to the Bricklayers' convention approved a plan to enlarge the union's governing structure and make more local officers part of the decision-making process.

The convention also adopted another key recommendation of a ''blueprint for growth'' proposal—a five-year, $7.5-million organizing program to bring new members into the union.

Both actions had been urged by the Project 2000 Committee, made up of 28 local union officers who had worked for 18 months to chart long-term goals.

As approved by the delegates, the Executive Council will be enlarged through regionally elected vice presidents. The enlarged council will in turn develop specific plans for further regionalization of the union's structure, President John T. Joyce told the delegates.

The organizing program will seek to increase the 103,000 masonry craftsmen and allied workers the Bricklayers now represent rather than seek members in unrelated industries. It will be funded by a $10-a-member annual assessment for three years, and after that by dues income from new members.

## Guide to future

Both proposals were approved by big majorities and Joyce said other recommendations of the Project 2000 Committee will be a guide to the union's actions in the years ahead.

Some of its recommendations that did not require convention action included promotion of masonry construction and exploration of new services that can be provided for members.

Joyce, who has headed the Bricklayers since 1979, was re-elected to a new five-year term. He defeated by a 53,550-to-24,385 vote a challenge by a former president of the union, Thomas F. Murphy.

AFL-CIO President Lane Kirkland, in an address to the convention, welcomed the ''healthy system of self-examination'' displayed in the blueprint for growth.

''Throughout the labor movement,'' Kirkland said, ''our unions are examining proposals for structural changes to broaden and strengthen all of our organizations. They are looking at changes in organizing techniques, changes in the categories of union membership and changes in the range of union services.''

## Charting a course

There are no ''all-purpose blueprints or sure-fire solutions,'' Kirkland said. ''The officers and members of the Bricklayers, like those of all our affiliates, will formulate their own goals, choose their own path and set their own pace.''

But throughout the labor movement, Kirkland stressed, ''I don't hear the voice of retreat. I hear the call to move forward.''

Robert A. Georgine, president of the AFL-CIO Building & Construction Trades Dept., urged local unions to closely monitor their pension fund investments to assure that assets don't end up funding non-union construction projects.

Delegates also heard a pledge of solidarity from the president of the unaffiliated Mine Workers, Richard Trumka. ''Your picket line will be our picket line,'' he affirmed.

In other elections, Executive Vice President L. Gerald Carlisle defeated Cleveland Business Agent F.H. Jones for secretary-treasurer. Incumbent Edward M. Bellucci did not seek re-election. Carlisle's post as executive vice president will be filled by Thomas Uzzalino of Ridgefield Park, N.J., who was unopposed. All other incumbent officers were re-elected.

The union presented its Louis Sullivan award for architecture to Ben Thompson of Cambridge, Mass., and made a posthumous award to O'Neill Ford of San Antonio, Tex.

### More bad news

# Runaway trade deficit expands to $91 billion

**Continued from Page 1**

decline of 1.6 million jobs in manufacturing since 1979.

''The continued deterioration in the U.S. trade balance,'' Oswald said, ''demonstrates the need for immediate congressional action to defend American industry and American jobs.''

''The timid measures announced by President Reagan will serve only to disguise the enormity of our problem and will do little to reverse America's international economic position,'' he added.

While the overall trade deficit declined slightly from July's $10.5 billion, there was more bad news for U.S. shoe and steel industries, where the Reagan Administration had earlier rejected recommendations from the International Trade Commission for strong action to safeguard American jobs.

Commerce Dept. figures showed shoe imports continuing their onslaught on the U.S. market. In August, 69 million pairs of shoes entered this country, compared to 68.7 million in the same month last year. Imports are 8.4 percent higher than 1984's record-breaking levels, and now account for 80 percent of the domestic market.

Food & Commercial Workers President William H. Wynn called the latest statistics ''a national tragedy,'' and assailed President Reagan's ''callous disregard for the welfare of the domestic shoe industry and its workers.''

The situation ''amounts to a death sentence on an entire industry,'' Wynn said. ''Thousands of American shoeworkers have watched in frustration as their jobs are shipped overseas, while the Reagan Administration sits on its hands and spouts rhetoric about 'free trade.'''

President Murray H. Finley of the Clothing & Textile Workers called the report ''disheartening,'' and said it was ''another piece of the mounting evidence that President Reagan's trade policies are bankrupt.''

## Administration inaction

The jobs of millions of American workers in many industries ''are being buried in an avalanche of imports,'' Finley declared. ''Since the Reagan Administration has refused American workers any meaningful protection from imports, we now look to the Congress to save our industries and the jobs they produce.''

August steel imports surged 29 percent over the previous month, setting up what Steelworkers Legislative Director John J. Sheehan called ''the first critical test'' of the Administration's ability to curtail imports through negotiated trade agreements with 14 steel-producing nations.

At the time he rejected ITC recommendations to deal with the problem, Reagan claimed his alternative would hold imports to a roughly 20 percent share of the U.S. market.

''To achieve that goal,'' Sheehan said, ''the Administration will have to hold imports substantially below current levels for the next several months. The President will have to make sharp cutbacks in steel imports if his import-restraint program has any hope of success.''

The August reduction in the overall trade deficit was fueled by a $234-million decline in petroleum imports, the result of a decrease in the volume of oil coming into the country, and a 95-cent-a-barrel drop in the price of oil due to the ongoing price war being waged within OPEC.

Even so, imports totaled $27.3 billion in August, while exports inched up only seven-hundredths of 1 percent to $17.4 billion. It took increases in oil and agricultural shipments to achieve that slight upturn, because there was a $115.8-million decline in the export of manufactured goods.

Economists pointed out that, while Americans slowed their purchases of foreign goods, other nations continued to resist the import of American-made goods into their markets.

# UAW wins fight for white-collar unit in Michigan

Lansing, Mich.—Some 10,000 Michigan state human services employees chose the Auto Workers as their bargaining representative shedding their representation by the unaffiliated Michigan State Employees Association.

The UAW polled 3,985 votes to MSEA's 2,709 and 716 for neither. It was the largest white-collar representation vote in UAW's history.

In another MSEA unit of 11,000 administrative and support employees which voted on Sept. 25, the UAW won 3,936 votes to MSEA's 2,906 and 1,906 votes for no representation. Since the UAW did not get a majority of the votes, a runoff election will be held after Nov. 10.

In Ohio, some 13,700 state employees in six units voted on the unions to represent them recently, and ballots will be mailed Oct. 15 to 13,500 workers in four other units.

The Hospital & Health Care Employees won representation of some 1,800 social service workers. NUHHCE was placed under Article XX sanctions by the AFL-CIO for not withdrawing from a representation campaign at the Ohio State Mental Health and Mental Retardation Institutions.

## Top vote-getters

The Communications Workers and the State, County & Municipal Employees were the top vote-getters in a three-way contest for some 5,600 maintenance workers, where a runoff election will be held.

In the vote to represent 1,500 state liquor and lottery office workers, the Food & Commercial Workers received half the ballots cast and must win one of the 10 challenged votes to win the election.

In three uncontested elections, AFSCME won the right to represent 3,300 state inspectors and regulatory officers; the unaffiliated National Education Association will represent 800 teachers and librarians, and the unaffiliated Federation of Police Officers will represent 700 law-enforcement officers.

Ballots will be mailed Oct. 15 to workers in four other units. The State Employment Relations Board said it will tally the votes Nov. 6.

# *Most Americans favor import curbs*

Most Americans, concerned about imports wiping out U.S. jobs, want federal action to halt the worsening trade imbalance, and reaffirmed their confidence in the quality of U.S.-made products, according to three nationwide surveys.

A Los Angeles Times poll of 1,967 people across the country showed strong support for legislation to curb imports by a 51-percent to a 37-percent margin.

Not surprisingly, those surveyed tended to blame foreign countries for the trade imbalance, rather than President Reagan's trade policies or internal problems. They also cited cheap labor abroad as the reason for the success of imports in the American marketplace.

Reagan's action to allow the voluntary quotas on Japanese autos to lapse was opposed by 58 percent of those surveyed.

By better than a 2-to-1 ratio, the respondents in the L.A. Times poll favored restricting imports to keep jobs, rather than keeping open markets that would provide consumers with lower prices.

Three out of four of those surveyed said they felt that the new U.S. status as a debtor nation—meaning it owes other countries more than they owe us—is a ''serious problem.''

A Washington Post-ABC News poll found a 49-percent to 43-percent majority favored the imposition of taxes or quotas on imports to save U.S. jobs, ''even if it means higher consumer prices.'' Additionally, 79 percent said they were very concerned or somewhat concerned that they or their family will be affected personally by the record U.S. trade deficit.

The Post-ABC poll also reported 38 percent of the 1,512 persons surveyed pay ''a great deal'' of attention to where the products they buy are made. Another 27 percent said they pay ''a fair amount'' of attention to the country of manufacture label.

American consumers still have a high degree of confidence in American-made products, according to a new Gallup Poll.

Gallup said the number of Americans who expect a higher quality from U.S. goods over imports was nearly four times greater than the number who said they prefer foreign-made items.

A majority rated the quality of U.S. products at eight on a scale of one to ten. There were exceptions, Gallup noted, as consumers said they favored foreign-made televisions and other home entertainment items. Foreign cars trailed U.S. autos slightly, the survey said.

# House majority opposes worker benefits tax

**Continued from Page 1**

come to a head when the House took up an appropriations bill including funds for the Labor Dept. The Appropriations Committee had rejected by only a one-vote margin a labor-opposed amendment to delay enforcement an additional six months.

Meanwhile, behind-the-scenes efforts continued to work out an agreement on clarifying language that would address some of the complaints raised by the mayors without depriving workers of the law's protections.

To allow more time for the negotiations, the House agreed to a one-month postponement of enforcement although the coverage remains in effect.

- Both the House and Senate have voted funds that would avert the sharp and immediate rise in postage rates for publications of non-profit organizations that the Postal Service had scheduled. The Reagan Administration has sought to end the subsidy and charge non-profit mail for full commercial rates.

# 'Talking union...one-on-one' keeps solidarity alive

By Gene Zack

They're "talking union . . . one-on-one" in the pilot states of Georgia, Missouri and Idaho—and, for good measure, in Arkansas, Illinois and Iowa, as well—and they've generated evidence that labor solidarity is alive and well.

Even in the face of massive layoffs, union members in Idaho are pitching in, ignoring their own plight in order to get the message to their fellow workers that labor has a big stake in what's happening in their state capitol and in Washington.

The One-on-One program involves the development of a cadre of labor activists to meet systematically with every union member and thus mobilize greater individual involvement in labor's activities.

The goal, AFL-CIO President Lane Kirkland said after the project was approved by the Executive Council in May, is to "reach out to the membership in face-to-face conversations," giving them information about the trade union movement and its goals, advising them about labor issues, and enlisting their support.

## Signing up

Following training sessions for local officers, stewards and activists, canvassers have begun talking with their fellow unionists on the job and when the day's work is done, soliciting their signatures on forms to be sent to appropriate public officials registering their position on issues of deep concern to working people.

In Georgia and Missouri, workers are signing messages to senators and congressmen opposing Reagan Administration proposals to tax health insurance, workers' compensation, unemployment and black-lung benefits. The Idaho effort is concentrated on a right-to-work referendum which will be on the ballot in November 1986.

The One-on-One project's initial success was summed up well by Thomas Fagan, COPE director of the St. Louis Central Labor Council, where 14 locals have already become involved and where the potential exists to reach some 34,000 members.

## New feeling

"The response has been tremendous," Fagan said. "The people here have been hungry for information about the issues and they've been hungry for a way to communicate with their leaders. For the first time, many of them feel like they're part of what's going on in their union."

Business Manager John Durham of Electrical Workers Local 1439 in St. Louis, whose canvassers have already gotten the signatures of 85 percent of the local's 1,700 members—including hundreds employed by public utilities in the neighboring states of Arkansas, Illinois and Iowa—said: "This program really works. It's revitalizing our local."

Canvassing activity in the St. Louis area is also well under way in Service Employees Local 50, whose 6,000 members work in public and private nursing homes, and in the 1,600-member Transit Union Local 788.

In nearby Columbia, according to One-on-One coordinator Drew Anderson, more than half of the 1,400 members of Laborers Local 45 have already signed petitions. The local represents custodial workers at the University of Missouri, Pin Oaks Nursing Home, the county's road and bridge department, and Northeast Missouri State University at neighboring Kirksville. A new drive is being planned to deal with a strictly local issue: a change in workers' parking facilities at the university which would raise the monthly fee its members must pay.

State, County & Municipal Employees Local 1810, representing 900 workers in the medical, mental health and correctional fields in Columbia, has gotten one-third of its members to register their opposition to taxing workers' life-support benefits, and the drive continues.

## Joint canvassing

In the recession-ridden ten northern counties of Idaho, canvassing activities are being conducted by locals of the Food & Commercial Workers, Steelworkers, Woodworkers, Communications Workers and Paperworkers, according to AFL-CIO Field Rep. William Domarotsky.

The most impressive job is being done by the 1,200-member IWA Local 3-364 in Lewiston, where 800 of its members are on permanent layoff from Potlatch Corp.

"In spite of the economic blow they've sustained," Domarotsky said, the Woodworkers' activists are "out there every day, carrying the message to their fellow workers that we face another fight on right-to-work next year." The response, he added, has been "most encouraging."

One-on-One could be the means of holding the local together, he added, because it offers a continuing means of communication between the union and members whose jobs have been shot out from under them.

## Program underway

Training sessions have already been held for organizers and canvassers in Boise, Nampa and Burleigh in southern Idaho, involving locals of the IBEW, Laborers, CWA, UFCW, SEIU, Sheet Metal Workers, Letter Carriers and Grain Millers, with a combined membership of 5,000. Canvassing efforts are now in progress.

In Georgia, training sessions have been completed for 100 officers and stewards from the Graphic Communications Union, ATU, CWA and Plumbers, with more classes scheduled. Canvassing is just starting and the campaign will get a big boost when delegates to the State AFL-CIO convention meet later this month.

The One-on-One campaign goes to the heart of recommendations on membership participation made by the AFL-CIO Committee on the Evolution of Work. As Sec.-Treas. Thomas R. Donahue said when the program was launched, it is "one of the vehicles for the resurgence of the American trade union movement."

The initial reports from the field indicate that, in meeting with rank-and-file members face-to-face, activists are demonstrating that "talking union" pays big dividends.

# Transport Workers to seek safeguards for airline jobs

Las Vegas, Nev.—A two-pronged political action drive to protect the jobs of airline employees battered by deregulation and to blunt Reagan Administration efforts to undercut workers' safeguards in public transportation was launched by delegates to the 17th constitutional convention of the Transport Workers.

John E. Lawe, elected to his first full four-year term as president of the TWU, pledged to "reverse the employment and safety nightmares caused by airline deregulation." Since government regulation of the industry ended in 1978, he said, some 40,000 airline employees have either lost their jobs or been displaced.

Lawe also lashed out at what he called the "vendetta-like campaign" being waged by the White House against union safeguards in the Urban Mass Transportation Act. The Administration is seeking to repeal a section of the act guaranteeing collective bargaining for workers when privately owned transit systems are turned over to public operation, even in right-to-work states which ban bargaining by public employees.

## Results of deregulation

In his address to the delegates, AFL-CIO President Lane Kirkland also focused on the airline deregulation issue. Calling himself a "white-knuckled frequent flier," Kirkland said that deregulation "has taught us what we already knew—that if the profit motive is their sole guide, airlines will cannibalize each other to the detriment of their employees, the passenger public and the national interest."

California AFL-CIO Executive Sec.-Treas. John F. Henning told the convention that the labor movement "is facing a collective assault from the right, to which we must respond with a collective defense," and meet these attacks head on.

New York State AFL-CIO President Edward J. Cleary assailed the "Reagan media illusion of prosperity," and issued a call for all trade unionists to "raise the conscience of America . . . to deal with the reality of unemployment and poverty in our nation."

The only speaker not from the labor movement was Al Della Bovi, deputy administrator of the Urban Mass Transportation Administration. Bovi, a Regan appointee, was booed by delegates when he sought to justify the Administration's attempt to renege on labor-protective provisions and to subsidize private entrepreneurs to compete against publicly held transit systems.

## Relief for Mexico

Following adoption of a resolution supporting Red Cross relief efforts in the Mexican earthquake, delegates passed the hat and collected nearly $1,000 in cash for the quake victims. The chair responded by more than matching the delegates' contributions.

Other major resolutions called for:

- "Much stronger action" by the Administration, including a ban on U.S. investments, "to register our nation's protest against the genocidal policies" of South Africa.
- U.S. intervention to force the British government to halt its "barbaric treatment" of minorities in Northern Ireland.
- Congress to reregulate the airline industry "to meet operating, training, maintenance and safety standards."
- An end to the Administration's "archaic" trade policies and adoption of four labor-backed trade bills now before Congress.
- Continuation of federal support for operating and capital assistance to mass transit and Amtrak.
- Opposition to any efforts to tax the life-support benefits of American workers.
- Raising from the present 51 percent to 85 percent the domestic content of rolling stock and replacement parts purchased by public transit authorities in order to qualify for federal funds.
- Support for the sale of Conrail through public stock offerings as proposed by Morgan Stanley & Co., the New York investment bank.

Lawe, a former New York City bus driver and president of TWU's largest local, had been serving as interim president since the death of William G. Lindner in May.

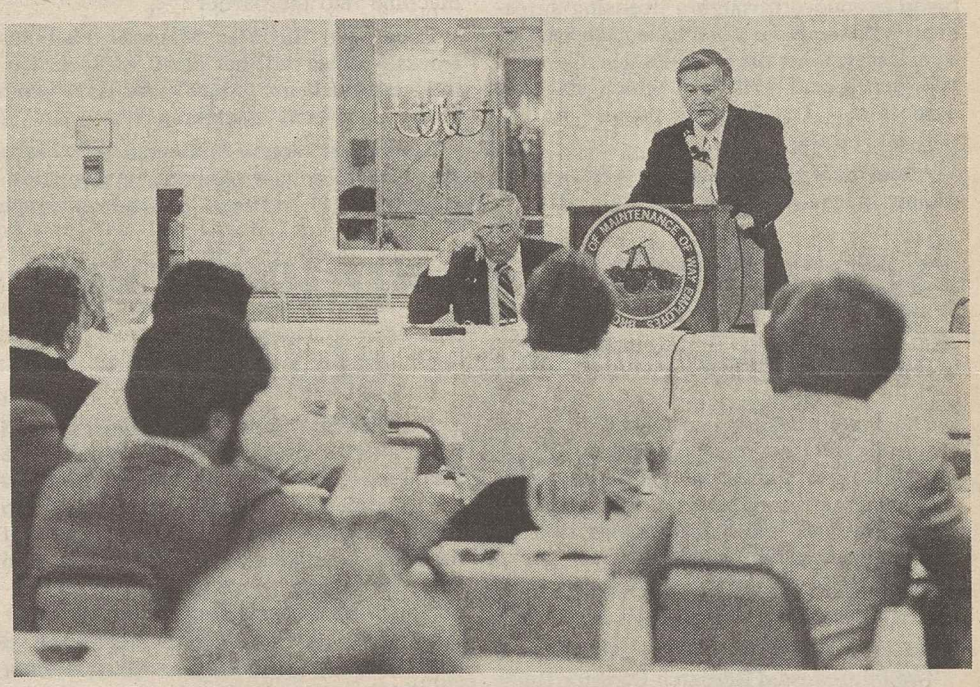
Delegates also elected former New Jersey bus driver George E. Leitz as executive vice president and former New York City trolley car operator and motorman Charles Faulding as secretary-treasurer.

## Hal Banks dies at 76, headed Canadian SIU

San Francisco—Hal C. Banks, former president of the Seafarers of Canada, died of heart disease here Sept. 24. He was 76.

An organizer of the SIU-affiliated Sailors Union of the Pacific, he went to Canada in 1949 when President Truman enlisted the SIU's support to end the strike of the communist-dominated Canadian Seamen's Union which was blocking Marshall Plan shipments to Europe.

Banks headed the 15,000-member SIU of Canada until his retirement in 1964.



## Legislative track

State legislative representatives of the Maintenance of Way Employees get a first-hand report on contract negotiations and congressional issues from President O.M. Berge. The three-day conference in Washington included briefings on issues affecting railroad unions and lobbying missions to Capitol Hill.

# Tentative settlement reached in UTU talks with railroads

Negotiators for the United Transportation Union and major U.S. railroads reached tentative agreement on a four-year contract, six days after an emergency presidential panel called for the elimination of the jobs of some 8,000 firemen through attrition.

The new contract, if approved, would run from July 1, 1984 through June 30, 1988.

Although details of the settlement were withheld pending ratification, UTU President Fred A. Hardin described it as "a reasonable agreement in line with the recommendations of the board."

The three-member panel sent its nonbinding recommendations to President Reagan on Sept. 25, clearing the way for UTU's 68,000 members in the railroad industry to walk off the job on Oct. 26 in the absence of a new contract.

The emergency board was created in August to forestall a walkout, after a tentative agreement between the union and the carriers—reached after contract talks stretching back to early 1984—failed to win ratification under a union procedure requiring the unanimous approval by all eight crafts involved in the negotiations.

Hardin said it would require three to four weeks for the ratification process, taking the union beyond the strike date. If the tentative pact is rejected, Hardin said, the union would then begin selective strikes against the carriers.

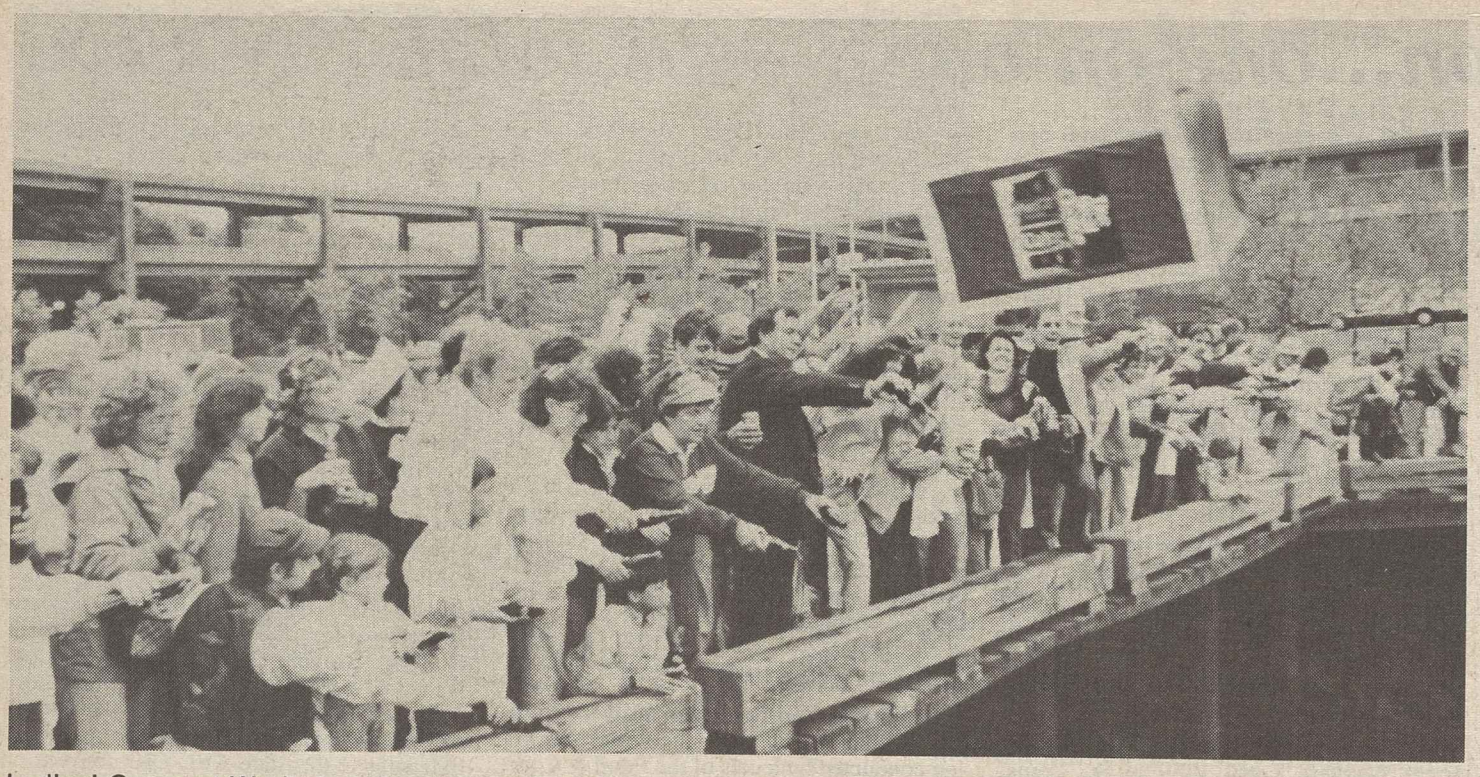
The future of firemen in the railroad industry has been at the heart of a long-running dispute between the union and the carriers, dating back to 1930 when railroads began phasing out steam locomotives as they switched to diesel power.

In 1972, a manning agreement was reached with the carriers establishing a training program to qualify firemen for promotion to locomotive engineers. It was amended in 1978 to give seniority to firemen on the promotion ladder.

Reagan's emergency panel, however, declared that in the period since the manning settlement was reached, "changing conditions, such as deregulation and increased competition," justified reneging on that agreement.

Other issues addressed in the tentative contract between the UTU and the cariers include wages, work rules, and health and safety provisions.

Federal mediators expected the settlement, if ratified, to set a pattern for a dozen other unions still involved in negotiations with the industry. Like the UTU, they have been bargaining with the carriers since 1984.



Ladies' Garment Workers protest Coca Cola Co.'s clothing imports by dumping Coke into Battleship Cove.

## On Hong Kong clothing

# 'Tea party' sends Coke a message

Fall River, Mass.—There's union-made Coke in cans and bottles, but the Coke that you can wear is made in Hong Kong and American apparel workers don't like it a bit.

The Coca Cola Co.'s new line of clothing, being produced through a licensing agreement with the New York-based Murjani International, drew the ire of Ladies' Garment Workers Local 178 here which staged a modern-day Tea Party to protest the imported clothing.

About 50 ILGWU members—five clad in Indian garb—gathered on Fall River's waterfront to dump cans of Coke into Battleship Cove. Four of the Indian "braves" paddled out into the cove to help Chief Little Horse, a retired textile worker and an American Indian, toss a facsimile of a Coke machine into the harbor.

Local 178 Business Manager Nicholas Roussos observed that the Coca Cola Co. is asking workers "to buy its products while at the same time it's taking their jobs."

Roussos and Aaron Mittleman, who heads the New England Apparel Association, staged the "Coke Party" to send a message to "attempt to raise the consciousness of those marketing guys."

Many apparel locals have acted to protest Coca Cola's imported clothing, mainly by removing Coke machines from their buildings and by asking others to do so.

An ad run in a North Carolina newspaper called the new line of clothing "all American." About 30 union officials protested to Coca Cola executives who promised to ask that more of the clothes be made domestically. Murjani was founded in Hong Kong and has factories in the Far East.

# *Economic pickup welcome, but growth rate still lags*

The government's barometer of future economic trends rose seven-tenths of 1 percent in August, indicating that the economy is picking up momentum slowly after an anemic growth rate of just over 1 percent during the first half of the year.

The AFL-CIO called the growth rate report "welcome," but added a cautionary note.

The figures, said Research Director Rudy Oswald, are "another signal that growth is much too weak to reduce unemployment or develop the momentum needed to solve the basic problems caused by runaway trade and budget deficits."

Underscoring the failure of the upturn to create new job opportunities, the Conference Board reported that its help-wanted advertising index plunged 6 percent in August. The statistics show "no signs that the demand for labor in increasing," Ken Goldstein, Conference Board economist, said.

At the same time that it released the index of leading indicators, the Commerce Dept. revised its figures for the two previous months, adjusting the July figure upward by three-tenths of 1 percent, and the June figure downward two-tenths of 1 percent.

Economists say the index has a spotty record of charting business conditions, partly because some of its components only indirectly relate to developments in the real economy, and partly because of the pattern of frequent, and often large, revisions in the data.

A survey of 350 leading economists revealed that they anticipate only a modest pickup in the economy before the nation slips into another recession in either late 1986 or early 1987.

The study, released by the National Association of Business Economists, also showed that 30 percent of the companies surveyed cut their employment during the third quarter of 1985, while only 16 percent increased it.

A significant part of the August growth was attributed to cut-rate automobile financing—with some rates running as low as 7.5 percent—as major auto makers try to move stocks of 1985 cars before the start of the new model year. Some economists said that the incentive program merely encouraged consumers to buy cars now, rather than later, and expressed concern that it would result in reduced growth in coming months.

Six of the 11 indicators available in August contributed to the improvement. They included money supply, building permits, a slight increase in the average workweek, net business formation, manufacturers' new orders for consumer goods and materials, and average weekly initial claims for state unemployment insurance benefits.

### Sagging signs

Four of the indicators were on the down side—stock prices, deliveries from vendors, changes in sensitive materials prices, and changes in outstanding credit.

In a separate report, the Commerce Dept. said construction spending rose 1.1 percent last month, to a seasonally adjusted annual rate of $344 billion, 7 percent higher than the level a year ago.

At the same time, the government announced a sharp revision in its construction spending figures for July. After previously reporting that spending went up 1.2 percent in July, Commerce said it actually declined 1 percent.

Meanwhile, machine tool orders slipped 8 percent in August from the seasonally weak previous month, reflecting the economy's continued sluggishness and the cautious buying attitude of durable goods producers.

Factory orders rose a moderate nine-tenths of 1 percent in August after plunging 1.2 percent the previous month, the Census Bureau said.

The Census Bureau also reported that new house sales declined a sharp 5.6 percent in August, although they remained well ahead of last year. The average price of a new house slipped $1,200 in August to $98,300—well below the record of $104,700 reached last April.

### CORRECTION

It was Communications Workers Vice President James E. Irvine who testified before a Senate subcommittee on access charges for long-distance telephone carriers, not James E. Levine, as reported in the Sept. 21 issue of the AFL-CIO News.

# Unions challenge move to capture Frontier Airlines

Denver—Four unions at Frontier Airlines asked a federal court to bar the anti-union Texas Air Corp. from acquiring stock in Frontier Holdings, Inc., parent company of Frontier Airlines.

The suit urged the U.S. District Court here to rule that Texas Air and its president, Frank Lorenzo, have violated the Securities & Exchange Act by making false and misleading statements in documents that were submitted to the Securities & Exchange Commission.

Texas Air is the parent company of Continental Airlines, which filed a Chapter 11 bankruptcy in September 1983 and abrogated its union contracts.

The unions—Air Line Pilots, Flight Attendants, Transport Workers and the Air Line Employees Association—made a buy-out offer of $17 a share for the 12.4 million outstanding shares. Last August they agreed to wage concessions that will eventually allow the creation of an employee stock ownership plan (ESOP).

Texas Air's offer to buy seven million shares at $20 a share will have a negative impact on the agreement between Frontier and its workers and could lead to liquidation or bankruptcy of the airline, the suit charges.

# N.C. delegates link job loss to import rise

Charlotte, N.C.—The North Carolina AFL-CIO endorsed a "buy union-buy American" campaign among the state's 150,000 union members and their families.

Calling the measure "good economic sense," the 400 delegates to the 28th convention of the State AFL-CIO launched the program to help stem the heavy loss of manufacturing jobs—especially in textiles and apparel—that has hit the state.

Delegates also called for defeat of proposals to tax workers' fringe benefits and urged the state's congressional delegation to fight the measure.

The convention urged legislation to aid workers and communities hit by plant closings and called for the continuation of trade adjustment assistance benefits.

Passage of a state comparative negligence law was endorsed as a major legislative priority, with North Carolina's current system of contributory negligence termed "a harsh and unjust all-or-nothing rule." A comparative negligence measure would allow accident and injury victims some compensation for damages caused by another person, if the victim's "negligence" was not greater than the defendant's.

### Increasing participation

Other resolutions adopted by the convention urged support for black workers and trade unions in South Africa, called on Congress to implement a fair trade policy, and urged all unions to affiliate with local central bodies and the state federation.

The convention re-elected President Christopher Scott to a second two-year term, and elected James Andrews secretary-treasurer. Five new vice presidents were elected and 18 incumbents were returned to office.

Scott called the state federation strong and secure and applauded labor's role in winning a state "right-to-know" law requiring disclosure of toxic chemicals used in the workplace. He noted labor's continuing concern for both union members and the public interest and urged delegates "to communicate better with our own members, because if they are talking up our story, the whole world will hear it."

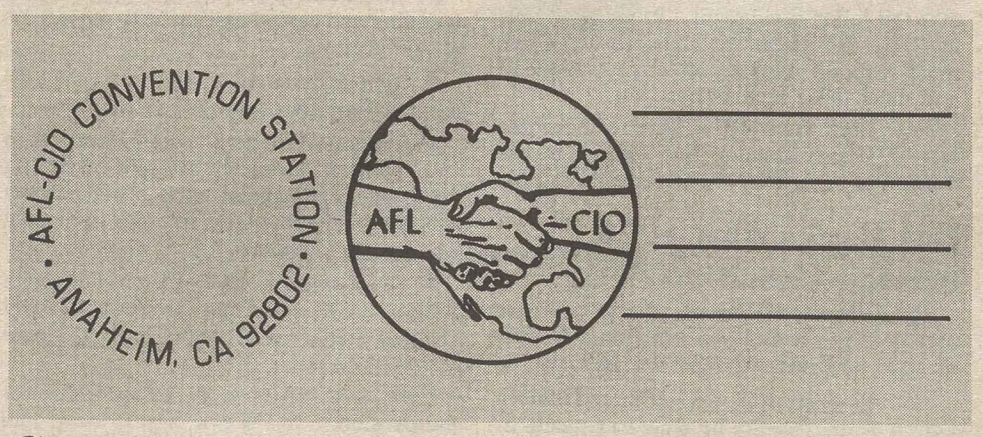
### Justifiable pride

Barbara Hutchinson, an AFL-CIO vice president and director of women's affairs for the Government Employees, told the delegates that despite continuing attack by the Reagan Administration, federal workers can be proud of the work they do.

"No other government in the world provides the kind and quality of services that the United States does," she stressed. Hutchinson praised the AFL-CIO report, "The Changing Situation of Workers and Their Unions," for fostering "enthusiasm and dedication among union brothers and sisters."

Charles Sallee, executive vice president of the Clothing & Textile Workers, charged in a speech to the convention that imports are threatening "the very existence of organized labor." He urged support for a measure now before Congress to limit textile and clothing imports.

Delegates presented folk singer Pete Seeger with a special award recognizing his 40 years of support for organized labor.




## Convention postmark

The U.S. Postal Service will provide this special postmark at the AFL-CIO's convention postal station in Anaheim, Calif. from Oct. 28-31. Items mailed from there will be hand-canceled with this special station stamp. Collectors can prepare their own covers and mail them to Postmaster, AFL-CIO Convention Station, Anaheim, Calif., 92802 for the special canceling.

# EDITORIALS

## Price Tag on Congress

Millions of dollars will be raised and spent over the next 13 months in the campaign to elect a senator from the state of Maryland. And that's one reason incumbent Charles McC. Mathias, Jr., is not seeking a fourth term.

Mathias, a COPE-endorsed Republican who has often been out of step with the Reagan Administration, has long deplored the high cost of public office.

The Senate is in danger of becoming an institution in which membership would be limited to "youthful heirs to great fortunes or to elderly business executives of ample means who want to fill their twilight hours with indoor work that does not require heavy lifting," Mathias once complained.

At the news conference in which he announced his decision not to run for re-election, Mathias said the high cost of campaigns amounts to a "crisis of liberty."

That's not an overstatement. Last year, total spending on congressional campaigns came close to $375 million, an average of nearly $1 million for each contested election. Fueling this spending spree were thousands of political action committees set up by businesses and trade associations. Each election year, the PAC role in financing congressional campaigns has grown.

Perhaps because incumbents can most easily tap this flow of interest-group money, Congress has been reluctant to face up to the implications. Appropriately, it was a Senate committee headed by Mathias that last explored alternatives to financing of political campaigns. And the AFL-CIO testimony at that 1983 hearing remains, unhappily, just as pertinent today. These were some of the points emphasized:

The influence of private money in elections must be curbed "in order to lessen the ever-growing pressure on candidates to spend more and more time raising more and more money, and to assure the public's confidence in the integrity of our electoral and legislative processes."

The most appropriate remedy—"an idea whose time is ripe"—is a system of public financing of congressional campaigns comparable to the successful federal funding of presidential elections.

If that is too bold a step to win approval, there should at least be "overall limits on the amount which a congressional candidate may accept in PAC contributions."

Such a contribution ceiling would apply equally to contributions from union as well as business political action organizations.

At best, political action committees enable large numbers of voters to pool small contributions so as to make an impact. That's a concept that COPE and its counterparts pioneered. But to the detriment of the political process, PACs have also enabled a relatively small number of wealthy individuals who have already directly contributed to a candidate the maximum amount allowed by law to further expand their influence.

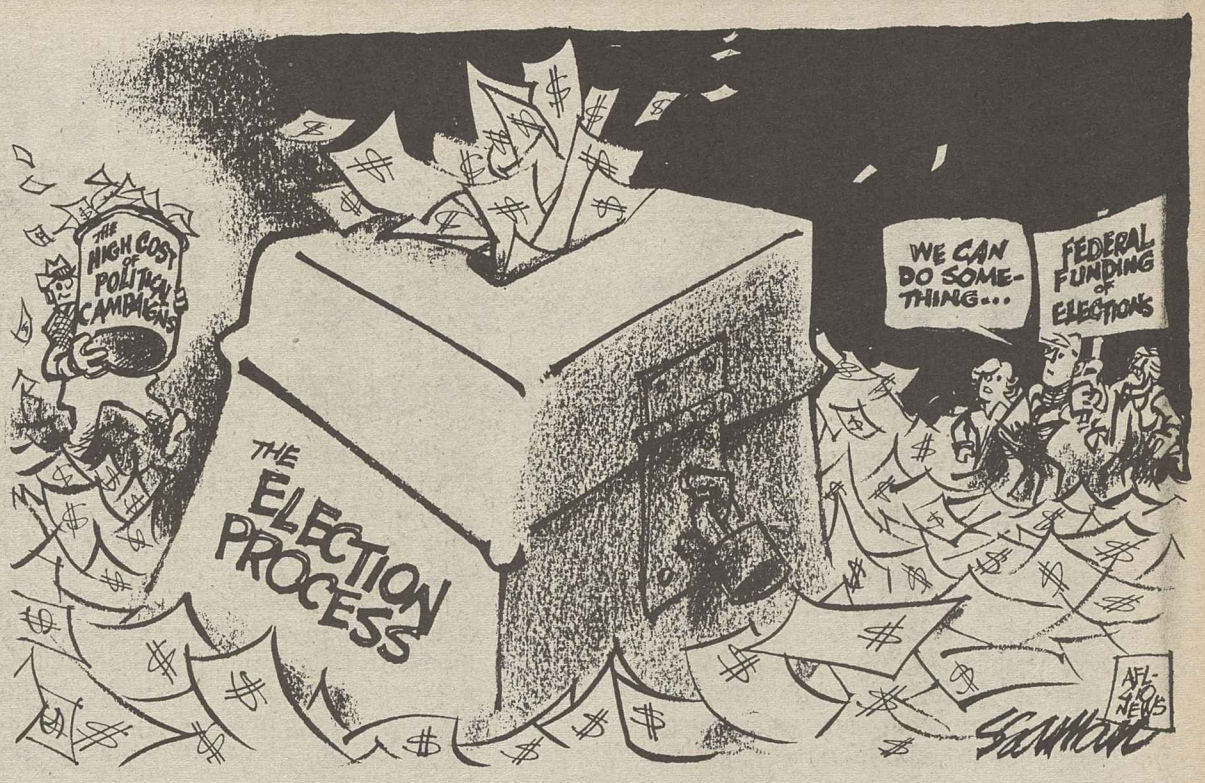
Neither in Maryland nor in any other state should party nominations and election to Congress depend on which candidate is most adept at raising money from the largest number of interest groups. And that's the bottom line.

## Underground Poland

In Poland, Solidarnosc lives—though underground. The official company unions are spurned by the workers. Countless thousands of Poles risk their lives every day to sustain a vast network of trade union organizations, independent newspapers, publishing houses, educational and cultural societies—all independent of the state.

They, and not Gen. Jaruzelski, speak for Poland. It is they who are sending irreversible ripples of freedom through the communist world.

*—AFL-CIO President Lane Kirkland at Polish Freedom Rally, New York, Sept. 26, 1985.*




### Washington Window

# Rosy economic 'recovery' bypasses basic industries

**By Press Associates, Inc.**

The condition of the nation's manufacturing sector is critical—a situation which the past three years of "recovery" is no longer able to mask. The American public has awakened to the crisis of industrial decline and is demanding government action, begining with unfair trade practices.

A description of what has been happening to U.S. industries, workers and communities can be found in a report by the Full Employment Action Council and the AFL-CIO Industrial Union Dept.

"Despite improvements in the overall unemployment rate since the depths of the 1982 recession, many of America's basic industries are in worse condition today than they were at the end of the last decade," the report states. "The erosion of the nation's industrial base has marked the 1980s as an era of abandoned plants, lost jobs, diminished earnings, depressed communities, and shattered dreams," it continues.

### Lost jobs

Employment in manufacturing, the report notes, is now 1.7 million below what it was in 1979. Thirty-five states have failed to recover all the jobs lost in manufacturing in the past five years, the report notes.

Since 1979, more than 11 million workers have lost their jobs due to plant closings, slack work or new technology. About one in four of these displaced workers remained jobless even after five years and one in seven dropped out of the labor force. Of those back at work, 45 percent are earning less than they did before, the report says.

Regarding specific industries, these are among the report's findings:

- In the automobile industry, employment declined about 28 percent, or 218,429 fewer jobs, between its 1978 peak and May 1985.

In Michigan, more than 100,000 auto workers were laid off between 1979 and 1982. Of those surveyed in the summer of 1984, 30 percent had not been recalled. Among those still on layoff, 47 percent had found new jobs; 43 percent were still unemployed or working part-time, and over 9 percent had given up looking.

- In farm equipment manufacturing, employment declined 53 percent from its peak in 1979 and April 1985. This represented a loss of 62,000 jobs.

- In the basic steel industry, employment plummented from 418,300 in 1979 to 187,000 in June 1985.

Since 1974, at least three steel companies went bankrupt, resulting in the shutdown of some 200 steel plants. In 1984 alone, Bethlehem Steel closed its Lackawanna plant, causing 7,000 layoffs, and U.S. Steel closed 71 facilities with 15,000 workers.

- In copper mining, smelting and refining, employment fell from 44,000 in 1979 to about 20,000 currently. About 50 percent of the nation's copper mines were closed between 1981 and 1984.

- In the electrical and electronics industries, the jobless rate is 86 percent higher than it was in 1979. Production jobs fell by 183,600 between May 1979 and May 1983.

- Since 1979, 420 textile plants have closed or partially shut down, displacing more than 92,000 workers, most of them in the South.

- Since 1981, 237 nonrubber shoe plants have closed, and 105 of these shutdowns occurred in 1984 as footwear imports surged.

- In the lumber and wood products industry, employment fell from 785,000 in 1979 to 688,200 in April 1985.

- Coal mining employed some 242,000 people in 1978, but only 160,000 in early 1985.

The evidence is plain. Congress must press forward in the areas of trade, trade adjustment assistance and retraining, and enact legislation requiring 90 days' notice of plant shutdowns and consultation with workers. These modest beginnings can be the foundation of an industrial policy to preserve the nation's industrial base and the jobs that depend on it.

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# MEMO FROM COPE

## Retirements Boost Democrats' Chances for '86 Senate Gains

Three recent announcements increase—though they hardly clinch—the chances for Democrats to win numerical control of the U.S. Senate in 1986.

First, Sen. Paul Laxalt (R-Nev.) announced he's heading home to retirement from the Senate when his term ends. A month later—and within a week of one another—Sens. John East (R-N.C.) and Charles Mathias (R-Md.) said they, too, will pack it in, East for reasons of health, Mathias (see box) because he wants to get on with other things.

This brings to six the number of open Senate seats to be decided in 1986, out of a total of 34. Over the past year, Sen. Barry Goldwater (R-Ariz.) and Democrats Tom Eagleton (Mo.) and Russell Long (La.) have said their current term is their swan song.

If you go by votes on issues, Democrats are ahead of the game already, even though they lose strong supportive voting records in Eagleton and, yes, in Mathias, whose AFL-CIO voting record is better than that of many Senate Democrats and who has been COPE-endorsed. As of the end of 1984, Eagleton was 87 percent "right" on the AFL-CIO scoreboard, Mathias 73 percent and Long 50.

Right-wingers, on the other hand, lose some of their most reliable supporters in Goldwater, Laxalt and East, respectively 91, 90 and 97 percent "wrong" on the AFL-CIO voting record. Even if Republicans were to hold all three seats, the newcomers wouldn't likely achieve the right-wing purity level of their predecessors.

While East was already one of the most vulnerable of GOP incumbents, chances are slight that the North Carolina party will nominate a candidate any stronger than he and pretty good that they'll wind up with one weaker.

In Nevada, the contest suddenly opens up as a possible win for Democrats. Had Laxalt run, he was expected to be a shoo-in.

Maryland now, too, appears a strong possibility for a Democratic gain. Mathias is the most popular Republican in what's been a heavily Democratic state, and has broad backing among Democrats, too. No one of his stature is available to his party. Democrats have several potentially strong candidates.

Conversely, Democrats in Missouri probably can't field a candidate as popular as Eagleton, but can put up a good campaigner with plenty of statewide support. Among those seeking nomination is Harriet Wood, who lost by less than one percent of the vote to incumbent Sen. John Danforth in 1982.

Arizona at this time is not expected to be a cakewalk for the GOP. Goldwater himself barely squeaked in with fewer than 10,000 votes last time.

Looking at the overall 1986 Senate picture, Democrats seem now—but be careful, it changes almost weekly—in good position to win enough seats to gain control. They defend only 12 seats, Republicans 22. Both parties have vulnerable states. The GOP has more of them.

Held by Democrats, but viewed as marginal right now, are Vermont and Colorado. In the former, Sen. Pat Leahy always has to fight like a tiger to win. In Colorado, Sen. Gary Hart is considered touch-and-go if he does run, and he might drop out, anyway, and announce he'll go for President again in 1988.

Republican seats under siege include Jeremiah Denton in Alabama (93 percent "wrong"), Paula Hawkins in Florida (70), Mack Mattingly in Georgia (93), Steve Symms in Idaho (97), Don Nickles in Oklahoma (97), James Abdnor in South Dakota (74). Several others are vulnerable as well.

From that list, and other open seats now GOP-held, Democrats need to score a net gain of four to win Senate control. Present split is 53-47.

### A Class Act Closes

**Retirement of most members of Congress is barely worth notice except by those lusting to succeed them.**

**Not so with Sen. Charles Mathias (R-Md.), who is stepping down after three terms.**

**He has been one of the true class acts in politics—a Republican widely admired, and supported, by Democrats; a lifelong fighter for civil liberties, civil rights and worker rights; a fighter within his own party against its take-over by right-wingers.**

**And always a gentleman.**

**What a contrast he has been to the claque of caterwaulers who represent Republicanism in the 1980s.**

**He'll be missed by all fair-minded Americans, but most of all by his own party, which now so badly needs his like.**

*Conservatism 'Animated by Compassion?'*

## Here's a Guy Who's in for a Really Big Disappointment

*"If conservatism is not animated by compassion for poor people, it ought not to be the majority party in the United States."*

The speaker is a Reagan appointee, counsel for the Office of Management and Budget. The quote appears in a four-part Washington Post series on how the "new right" stocked the Reagan Administration with its own at high and middle management-levels, and entrenched many where they are apt to stay long after this administration has departed.

The quote is the most poignant, and the only one reflecting such concern, among the dozens cited in the series. Other rightists quoted say things like "this isn't merely a Republican regime, but a conservative regime." Or they tout the "conservative agenda," or blast government ("Washington is evil," in the words of one quoted right-wing leader). Or they try to startle: "Like the radicals of the 1960s, our working motto is 'smash the state.'"

If it weren't for the certainty that the person first quoted meant what he said (he was a civil rights and liberal activist who crossed over) it would qualify as one of the great political one-liners of our times. Surely, it betrays a misreading of the ultra-conservative movement of today and its leaders and troops—most of them, anyway.

While he and a few other of its folks might be "animated by compassion for poor people," or others who can stand some help, not many of the movement's major figures got where they are by bleeding for the needy.

Of whom could the man be speaking? Who's he looking to for a little compassion for the poor?

Jesse Helms? Ed Meese? Jerry Falwell? Jim Watt? Dick Viguerie? Terry Dolan? Howard Phillips?

For that matter, Ronald Reagan?

No doubt, all of these might privately feel for the underprivileged—but they haven't grabbed fighting for the underdog as their big public issue, either.

They are all much more likely to exhibit excitement over taxes, or welfare (which they deplore), or "morality" as they see it, or "family issues" as they define them.

During the Reagan-Republican recession, they didn't lament hard times and their effect, or the policies that created or extended them. High unemployment left them unmoved, if you judge by the absence of public comment. Perhaps privately they felt it all too keenly, but were too macho to cry openly.

It is sad to anticipate the inevitable disillusion of those few among them—like the person quoted at the outset—who sincerely think the ultra-conservative movement is, or ever will be, "animated by compassion."

It will soon run out of steam partly because it isn't.

## Odds 'n Ends

**'WEST POINT OF POLITICS'** is what Republicans are calling their planned training academy for campaign managers, finance directors and PR staff of GOP candidates. Party is shelling out $1 million, will pay "students" $300 a week to cover room and board while attending its Republican Congressional Campaign Academy.

**PERSONAL WEALTH,** more and more of it, requirement for Congress, comparison of recent election years shows. Average assets of 74 new members elected in 1978 were $41,358. Average of 43 elected for first time in 1984 was $251,292. Conclusion drawn by some: Running for office takes huge personal resources. For example, the 43 newcomers of 1984 spent an average of $50,329 of their own money. Eight spent more than $100,000 in personal funds. One shelled out $441,167, another $210,000. Fifteen of 43 in Class of '84 are thought to be millionaires. Class of '78 produced only one.

**BATTLE OF TITANS** of rightwing shapes up in North Carolina over GOP nomination for Senate seat being vacated by John East (see story this page). Jesse Helms' political money machine, National Congressional Club, backs ultra-conservative college professor and Reagan-appointed ambassador to Romania David Funderburk in GOP primary, pledges to pony up $5-$10 million. Fund for Conservative Majority, another major right wing PAC, throws its support to Rep. James T. Broyhill, claims he has "much better chance of winning" general election and "passes our litmus test" as conservative. It can't match Helms's money, but it can generate a good amount and provide substantial organizational know-how.

**WITH CONGRESS** back in action, lots of talk fills the air about deficit. Question remains: Will anything rational be done about it? One writer put problem this way: "If there ever was a sure thing, it is that no country can indefinitely spend $200 billion more than it takes in. Not even the United States. No matter how starry-eyed your belief in supply-side nostrums or Laffer curves, no matter how fervently you worship at the temple of growth, you have to concede that at a certain point the bills come due. . . . It is no longer a very interesting question whether such deficits stretching as far as the eye can see will bring ruin. The question is how a political system can look ruin so plainly in the eye and do nothing about it."

**'DR. BORROW-AND-SPEND'** is what New York Times editorial tabs President Reagan, who's supposed to be arch-enemy of budget deficits, but has run up biggest ones in history. Times recalls Reagan took office five years ago "denouncing the national debt" at time when it totalled less than $1 trillion. Points out we've reached $2 trillion in red ink, more than double total national debt when Reagan assumed command. Times cites way Reagan used to talk about his "dream" of day when government reduces debt "to prove to our kids that we're not going to dump it all on them." Well, says Times, "he won't see that day, and the kids had better watch out."

**REAGAN CATCHES FLAK** on deficit from sources other than Times, one of them upstanding member of his own party. Sen. David Durenberger (Minn.) joins some Democrats in suggesting Administration might have "some deliberate intention to use deficits . . . to get us to denationalize the financing of public services." Durenberger took Reagan to task, asking "Why is he on tax reform when he should be on deficits? Why does he undercut the (Senate) budget resolution?"

### Shazzam . . . New Right Leader

*"To set oneself up as a New Right pressure group, all that is required is a grievance, no sense of humor, a secretary, a mailing list, a photocopier, some rented office premises, and second-hand furniture. Call yourself the Committee to Reactivate American Patriotism—a nice acronym—name yourself executive secretary, and you're in business."*

—*Smith Hempstone,* **Washington Times**

AFL-CIO news

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# Factory jobs skid 110,000 in one month

Fueled by the loss of a staggering 110,000 manufacturing jobs—the largest one-month decline since the depths of the Reagan recession—the nation's unemployment rate moved upward to 7.1 percent in September.

The AFL-CIO blamed the Administration's ''wrong-headed trade and economic policies'' for the precipitous decline in factory employment reported by the Labor Dept.

''The Reagan Administration is twiddling its thumbs while unemployment continues at intolerably high levels,'' Research Director Rudy Oswald declared. ''Jobs are disappearing rapidly because of the continuing flood of imports and the Administration's misguided and foolishly ideological trade policies.''

Oswald said that, in the face of the torrent of imports which have wiped out 1.8 million jobs in manufacturing since 1979, Congress must take ''fast and decisive action on trade legislation to protect America's workers, industries and local communities from excessive and unfair imports.''

September's sharp decline in manufacturing employment was the steepest since November 1982, the low point of the Reagan recession. The largest losses were felt in the machinery, electrical equipment and automobile industries.

In addition to the 8.3 million officially listed as unemployed, the government counted 1.2 million ''discouraged workers''—those who want jobs but have given up looking for them.

## 15 million affected

Adding in the 5.6 million others who are working part time because full-time jobs are not available, shows more than 15 million Americans suffering ''serious jobless, incomeless problems,'' the AFL-CIO said.

In every category except adult males—where the unemployment rate remained stuck at 6 percent for the second successive month—the report showed higher jobless rates, with black unemployment surging to 15.3 percent from August's 14-percent level.

The unemployment rate for teenagers rose half a percentage point to 17.9 percent, and for black teens from 34.4 to 38.3 percent.

The rates for Hispanic workers and adult women both inched up one-tenth of 1 percent, reaching 10.4 percent and 6.8 percent, respectively.

The report showed that 2 million jobs had been added to the economy so far this year.

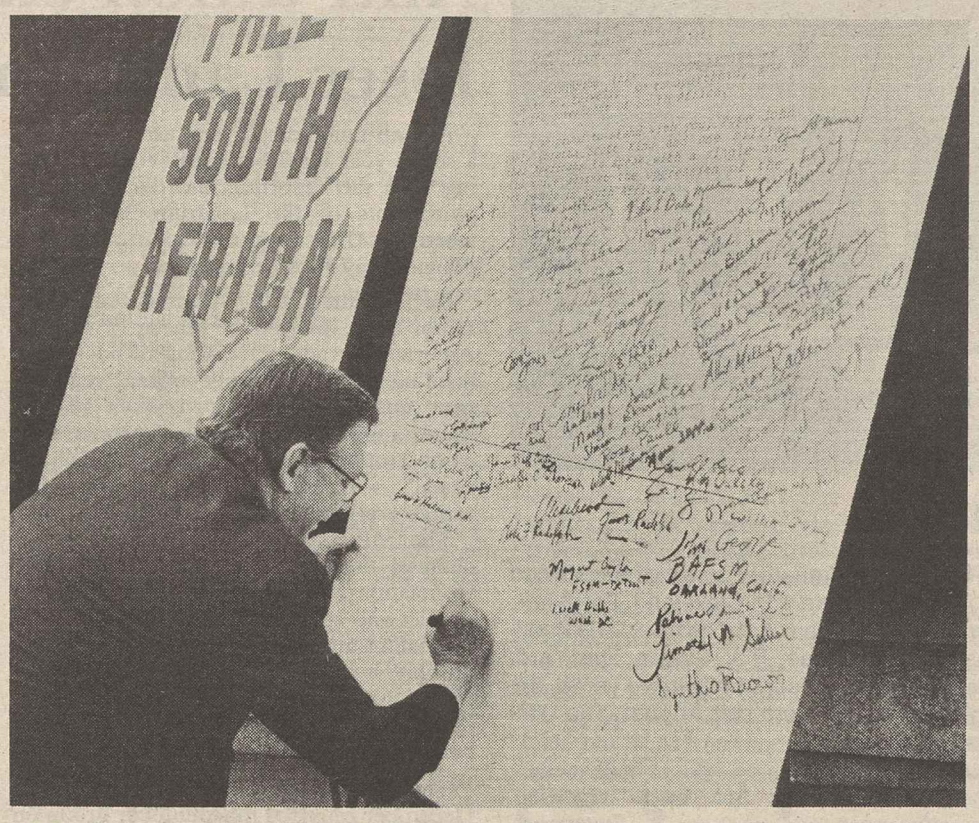
The Administration hailed the figures showing a record 107.5 million Americans at work as evidence, in the words of White House spokesman Larry Speakes, that the economy ''continues to grow.''

But he ignored the Labor Dept.'s figures showing that manufacturing industries have recovered only 53 percent of the jobs lost during the Reagan recession.

**LEGISLATIVE ALERT!**

PAGE 8

# House votes to restrict clothing, textile imports




## 'No' to apartheid

Apartheid is "a crime against the human soul," AFL-CIO President Lane Kirkland said outside the South African embassy as he signed a "freedom letter" to Bishop Desmond Tutu affirming labor's support for an end to the "moral outrage" of racial bias. The drive seeks one million signatures to protest South Africa's oppression of blacks.

## *Move aimed at saving jobs of 1.8 million*

**By David L. Perlman**

The House voted to limit imports on clothing and other textile products in order to prevent the wipeout of an industry employing 1.8 million American workers.

Its 262-159 approval of the labor-supported bill came in the face of heavy Administration pressure to sidetrack a measure the President has threatened to veto.

Passage of the legislation represented an acknowledgement that an international agreement on textile imports—known as the Multifiber Arrangement—had failed in its declared purpose of restraining imports that would harm a domestic industry.

Nearly 300,000 textile and apparel jobs have been lost since 1981, and 100,000 just in the past year, the bill's advocates told the House at the start of the debate. Its enactment, they stressed, would significantly reduce a merchandise trade deficit that leaped from $36 billion in 1982 to $123 billion in 1984, and is projected to reach $140 billion this year.

### Coalition formed

Against this backdrop, the Ladies' Garment Workers and the Clothing & Textile Workers formed a politically potent coalition with industry trade groups and members of Congress from states where textile and apparel manufacturing is important to the economy.

The bill that eventually won the sponsorship of a majority of the House and Senate would set stringent quotas on ''major exporting countries,'' principally Taiwan, South Korea, Hong Kong, China and Japan. It would also expand the definition of textiles subject to quota to include a range of man-made and natural fibers not covered under existing restrictions. Mexico, Canada, most Common Market countries and Caribbean Basin nations would be largely exempted from new restrictions.

Retail trade associations, seeking to preserve the higher profit margin from bigger markups on imports from low-wage nations, lobbied heavily against the bill. Every congressional office was delivered a pair of Hong Kong or other foreign-made jeans to emphasize a claim that consumers would have to pay higher prices if the bill became law.

**Continued on Page 3**

# Senate budget plan puts social programs in peril

House Democratic leaders will try to stop a political stampede that resulted in a 75-24 passage by the Senate of a balanced budget plan that would compel the dismantling of domestic programs and threaten a serious weakening of the nation's military strength.

If enacted into law, it would require the President to cut government programs whenever Congress falls short of a timetable to end budget deficits within six years. Only social security, interest on the national debt and expenditures the Office of Management & Budget designates as ''relatively uncontrollable'' would be exempt from across-the-board slashes.

Reagan, who has never proposed to Congress anything remotely close to a balanced budget, was gleeful. Now, he said, there's no excuse for anyone ''screaming'' about deficits.

Twenty-seven of the Senate's 47 Democrats joined with all but four Republicans in hopping on what they saw as a political bandwagon, giving a bipartisan stamp to the measure.

It was left to House Speaker Thomas P. O'Neill, Jr., to draw the line and brand the Senate-initiated plan ''a fraud.'' House Republicans are expected to press for rubber-stamp approval of the Senate bill soon after Congress returns from its Columbus Day recess on Oct. 16.

AFL-CIO Legislative Director Ray Denison stressed labor's concerns about the balanced budget measure when it was first proposed as an amendment to a debt ceiling bill necessary to enable government actions to continue to function.

**Continued on Page 4**

# *Lax wage law enforcement scored*

**By Gene Zack**

Every year, bosses try to cheat millions of workers out of hundreds of millions of dollars in wages by violating the minimum wage and overtime pay provisions of the Fair Labor Standards Act.

This is the conclusion reached by the General Accounting Office, which told a House Labor subcommittee that employers often get away with shortchanging workers because the Labor Dept. is not enforcing the law adequately.

The GAO said the department's own data showed that more than half a million workers are gouged to the tune of more than $100 million each year.

The figures on wage-hour violations are ''just a drop in the bucket,'' the AFL-CIO charged, because they are based solely on ''identified back wages'' that employers owe workers.

''Under the Reagan Administration,'' John Zalusky, an economist in the federation's Dept. of Economic Research, said that ''the Labor Dept. has abandoned random checks or continued monitoring of repeat violators and relies solely on employees with enough courage to file complaints.''

### Partial payback

The result, Zalusky said, is that only a fraction of the violations come to light. When they do, the Labor Dept. ''compromises away what the employees are due, usually settling for less than half the actual back wages the workers have coming to them.''

To make matters worse, he said, many of the workers who have been cheated ''never get even the small amount which the employer finally agrees to pay, because poor record-keeping makes it impossible to locate the injured parties by the time settlement is reached.'' Whatever back wages are due thus often end up in the U.S. Treasury.

Zalusky was critical of the Reagan Administration's handling of FLSA violations. While the law requires the Labor Dept. to report annually to Congress on wage-hour compliance, he said, ''they haven't filed a

**Continued on Page 2**

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58/12/10

# *Wage chiselers profit from lax FLSA enforcement*

**Continued from Page 1**

report in two years, and the last report was sent to Capitol Hill only after Congress complained.''

The GAO called noncompliance with the wage-hour law a ''serious and continuing problem,'' and faulted the Labor Dept. for ''not seeking the maximum compensation for employees who were due wages'' as a result of these violations.

The study, which updated a 1981 investigation of wage underpayments, was made at the request of Rep. Austin Murphy (D-Pa.), subcommittee chairman.

It sharply criticized the Labor Dept. because firms that previously violated FLSA ''were not being monitored and reinvestigated'' because of what department officials called a ''lack of staff.''

The federal watchdog agency told the subcommittee that ''most of the problems'' it cited in 1981 ''still exist, but the number of staff-years devoted to the act's enforcement has decreased'' from 587 in 1980 to 474 last year.

The report showed that compliance officers spend only slightly more than half their time on wage-hour enforcement, while a third of their time is devoted to such activities as training and vacations.

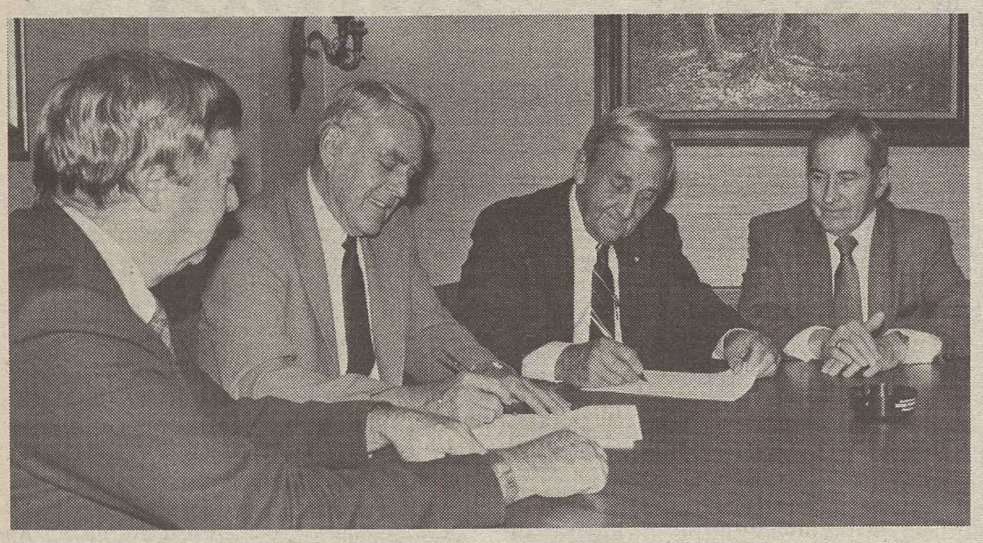
The GAO said the Justice Dept. often turns a blind eye to breaches of the FLSA because the penalties for wage-chiseling employers are too light.

''The maximum penalty for a first violation—a fine of up to $10,000—is not considered to be severe,'' the agency said, ''and because of higher priority work, Justice is unlikely to prosecute FLSA violations.''

In the absence of criminal prosecution, the GAO said that the Labor Dept. should focus on civil remedies by asking for liquidated damages, as well as back pay and interest charges, ''as a means of compensating employees for delayed payment of back wages.''

The report was critical of the department's procedure which allows each regional office to make the decision on whether or not to seek these additional damages. Regions that viewed liquidated damages as a way to punish employers were less likely to ask for them than were regions that saw such payments as employee compensation.

To help correct the situation, the report recommended that the government routinely seek heavy damage payments in addition to back wages from employers who break the law.



## Rail union compact

Affiliation agreement making the Railroad Yardmasters a part of the United Transportation Union is signed at UTU headquarters in Cleveland. From left: UTU Sec.-Treas. T.J. McGuire, Yardmasters President A.T. Otto, Jr., UTU President Fred A. Hardin and Yardmasters Sec.-Treas. R.J. Culver. The Yardmasters, a 67-year-old union representing supervisors in railroad yards, approved the affiliation by a 3-1 margin in a referendum last August. The UTU is the largest of the railroad operating unions.

# Bankers target pension fund as Wheeling talks resume

Pittsburgh—Negotiators for the Steelworkers and Wheeling-Pittsburgh Steel returned to the bargaining table in an effort to end a disputed lockout that began July 21, as the company's creditors went into bankruptcy court seeking termination of the decades-old pension plan.

Union negotiators and new management officials, named after a top corporate shakeup, exchanged proposals to end the 12-week-old dispute which has idled nearly 8,600 USWA menbers at nine plants in Ohio, West Virginia and Pennsylvania.

Paul D. Rusen, the union's chief negotiator, said contract talks had reached a ''critical stage,'' but noted that two external forces were working against the negotiations: the torrent of steel imports and the attitude of the banks holding $397 million of the company's $514 million debt.

The company and the stockholders all want to get the company moving again and out of bankruptcy, Rusen said. But ''the banks are saying they don't want the workers to have a decent wage'' and are willing to ''liquidate the company'' rather than allow both sides to resolve their differences, he said.

The bankruptcy court scheduled a hearing next week on the petition from Manufacturers Hanover Trust Co. and 10 other banks to replace the pension plan with a sharply reduced one in order to reorganize Wheeling-Pitt's debt.

The banks' move brought angry responses from the USWA, the company and the federal Pension Benefit Guaranty Corp.

Rusen said the assault on the pension fund ''jeopardized negotiations,'' and he accused the company's creditors of having ''attempted on a number of occasions to indirectly influence'' contract talks.

He invited bank representatives to attend a ''face-to-face meeting'' with USWA negotiators to discuss the pension question, but officials of Manufacturers Hanover rejected the offer.

The company's chief negotiator, William J. Miller, Jr., also expressed displeasure with the banks' effort to renege on the pension plan. ''We'd rather it didn't happen so we could continue to negotiate a settlement,'' Miller said.

The PBGC moved to have the issue transferred to U.S. District Court here, arguing that the bankruptcy court had no jurisdiction over the pension plan.

## UAW negotiators set Chrysler strike date

Detroit—Auto Workers at Chrysler Corp. plants voted to strike the nation's third largest automaker if negotiators cannot reach a satisfactory agreement.

More than 70,000 UAW members are covered by contracts that expire Oct. 15.

The strike authorization was approved by 89 percent of the voting members, but negotiations may continue past the Oct. 15 deadline without a work stoppage.

Job security is a major bargaining issue, with the UAW concerned over Chrysler attempts to move work to non-union plants.

# Anti-union employer group loses Landrum-Griffin fight

An anti-union employers' association lost a seven-year legal battle to avoid complying with the reporting and disclosure requirements of the Landrum-Griffin Act when the U.S. Supreme Court closed the door on any further appeals.

Back in the Carter Administration, the Labor Dept. ordered the Master Printers of America, a trade association of non-union printing firms, to comply with the registration and disclosure provision of the Landrum-Griffin Act because it functioned as an employer agent in seeking to ''persuade'' workers about matters of union representation.

The MPA lost a court round when it claimed the law didn't apply to a trade association and then lost in both federal district and appellate courts when it raised a constitutional claim that the disclosure requirement would have a ''chilling effect'' on its free speech rights by subjecting its member firms to intimidation and harassment.

The U.S. 4th Circuit Court of Appeals last December rebuffed the employer group on all counts. It described the organization as ''unabashedly anti-union'' and scoffed at the notion that public disclosure would lead to reprisals against member companies. That decision upholding the Labor Dept. registration requirement became final when the Supreme Court refused to review it.

The Supreme Court did agree to an employer's request to review a 7th U.S. Circuit Court of Appeals decision affecting arbitration of labor-management disputes.

### Layoff dispute

The Court of Appeals had held that a district court had properly declined to rule on whether a layoff dispute was subject to arbitration under the union contract because to do so would have ''entangled'' the court in ruling on the merits of the grievance.

Instead, the district judge ordered the issue of whether the dispute was subject to arbitration to be submitted to an arbitrator.

The dispute arose out of a grievance filed by a Chicago local of the Communications Workers involving a layoff at Western Electric Co.—now known as AT&T Technologies.

At issue in the Supreme Court review is the fine tuning of what the 7th Circuit decision termed ''the general rule that the arbitrability issue is for the courts to decide.''

In this case, the appellate court noted, an exception was justified because ''the collective bargaining agreement contains a standard arbitration clause, the parties have not clearly excluded the arbitrability issue from arbitration, and deciding the issue would entangle the court in interpretation of substantive provisions of the collective bargaining agreement and thereby involve consideration of the merits of the dispute.''

In seeking Supreme Court review, AT&T contended that the decision conflicted with rulings of other circuit courts in comparable cases. A CWA brief said the specifics of the Chicago case properly required arbitration because otherwise federal courts would become entangled ''in a full arbitration-like hearing on the substantive merits of the grievance,'' which would be ''at odds with the national labor policy eschewing judicial involvement in contract disputes.''

# Soup lines get longer

**Soup kitchens and other nongovernmental emergency feeding operations are serving an ever-growing number of hungry Americans, because of sharp budget cutbacks, administrative errors and delays in federal programs.**

**That's the conclusion reached by Bread for the World, a Christian citizens' movement, which reported that private agencies are serving 16.25 percent more people this year than in 1984.**

**The organization's study of 36 metropolitan areas showed that private providers have been put under ''intolerable pressure'' by Reagan Administration cuts of $7 billion in food stamp outlays since 1981. As a result, the report said, private agencies are not fully able to meet the needs of the hungry.**

**The private agencies are ''staggering under the burden of caseloads totally inappropriate to their resources,'' the report said, as they try to help those who exhaust inadequate federal benefits before the end of each month.**

**Citizen groups, the U.S. Conference of Mayors and other local and state government agencies contend that hunger is growing in America. But a presidential task force insisted recently, without providing any statistics, that hunger is not ''rampant'' in the United States.**

# Bath shipbuilders ratify new accord to settle walkout

Bath, Me.—A strike by some 4,500 members of Marine & Shipbuilding Workers Local 6 against Bath Iron Works, Maine's largest employer has ended with ratification of a new three-year contract.

An Oct. 7 secret ballot was held at the Augusta, Me., civic center, about 40 miles north of the shipyard. The final tally of the 3,140 votes cast was not released.

The agreement, ratified on the 99th day of the strike, freezes wages for the term of the contract, but also provides $2,000 in bonuses. Half that amount was to be paid upon ratification of the package, with $500 Christmas bonuses to be paid in 1986 and 1987.

A key issue in the strike was the concessions sought by Bath Iron Works, which it claimed were necessary for it to be competitive in bidding on Navy contracts. The firm said it had bid low on its latest government contract in anticipation of getting concessions from its workers.

Bath Iron Works, a subsidiary of the privately owned Congoleum Corp., has facilities in three Maine locations: Bath, Portland and Brunswick.

### Two-tier scale

A two-tier pay scale was included in the agreement, with new hires receiving $3 per hour below the current starting rate. The new hires will be able to reach that level in three years through annual $1 per hour increases. The top wage rate under the contract is $11.57 per hour.

Sick leave will increase from three to four days, and there will be a $200 bonus for each six months of perfect attendance. The shipbuilders will have to pay a portion of their medical insurance, and life insurance coverage will increase from $14,000 to $15,000.

The lump-sum payments will apply also to the union's 300-member sister Local 7, made up of clerical workers which settled its strike on Sept. 22. The Local 7 contract included provisions for matching any economic gains won by Local 6. The clerical workers had struck the company in mid-April.

# Average pay of workers in open-shop states lags far behind national level

By any yardstick—per capita income, average hourly earnings or annual pay—workers in the nation's 20 ''right-to-work'' states fare worse than do those in the 30 states and the District of Columbia where union-shop agreements can be negotiated.

That's the conclusion of an AFL-CIO study based on 1984 statistics compiled by the Labor and Commerce Depts.

The compulsory open-shop states also lag behind the rest of the nation when it comes to fair employment practices laws, equal-pay laws for women, state minimum wage legislation, and spending on public school students.

In the free collective bargaining states, the average per capita income is $13,356, significantly above the national average of $12,789. The ''right-to-work'' states, by contrast, lag far behind at $11,692.

### Manufacturing rates

The average hourly earnings of production workers in manufacturing were $8.32 in compulsory open-shop states, compared with $9.58 in the free states. The national average was $9.17.

The AFL-CIO report indicated that the annual average pay of all workers, including both supervisory and nonsupervisory personnel, stood at $18,350 last year, with 95 percent of the ''right-to-work'' states below that level, while 42 percent of the rest of the nation was at or above that figure.

All free collective bargaining states prohibited discrimination in employment, compared with only 60 percent of the compulsory open-shop states.

Equal pay laws for women were on the books in 87 percent of the free states but only 60 percent in the ''right-to-work'' states. While 97 percent of the union-shop states had minimum wage laws, only 60 percent of the open-shop states put a floor under workers at the bottom rung of the economic ladder.

As far as education is concerned, the national average per-pupil expenditure for the school year which ended June 30, 1984, was $3,173. In the 20 ''right-to-work'' states, the average was $2,693, while in the 30 states and the District of Columbia where trade unionism is allowed to flourish, the figure was $3,440 or $267-per-pupil higher than the national level.

### State comparisons

The AFL-CIO study offered this perspective on per capita income in the 20 open-shop states:

Alabama—When it passed ''right-to-work'' in 1953, it was $658 below the national average; by 1984 it was $2,797 below.

Arizona—Per capita income was $140 below the national average when it passed ''right-to-work'' in 1947; last year it was $948 below.

Arkansas—It was $547 below the national figure when it enacted ''right-to-work'' in 1947; by 1984 the gap had widened to $2,410.

Florida—When it passed compulsory open-shop legislation in 1944, it was $90 below the national average; things have improved since then, but it's still $26 below the national level.

Georgia—It put ''right-to-work'' on the statute books in 1947, at a time when its per capita income was $427 less than the national figure; now its workers are $1,238 in the hole.

Iowa—The state has slipped from $102 below the national average in 1947 to $629 below in 1984.

Kansas—When it passed ''right-to-work'' in 1958, it was $6 below the national average and remained below until 1973; by 1984 it had moved to $459 above the nationwide figure.

Louisiana—Since it passed compulsory open-shop legislation in 1976, at a time when it was $1,012 below the national average, the situation has worsened and it's now $1,981 below the line.

Mississippi—Things have gone from worse to awful. The state was $866 below the national average when the law was passed in 1954; today the gap has widened to a staggering $4,012.

Nebraska—In 1947 it was $61 below the national average, and stayed beneath in all except a few years since. In 1984 it was $359 below.

Nevada—This is the only ''right-to-work'' state that has been consistently above the national average. When it passed its law in 1951, it was $531 above the average, and it remains at $531 above today.

North Carolina—When it passed ''right-to-work'' in 1947, it was $419 below the national average; in 1984 it was $1,939 below.

North Dakota—Went from $170 above the national average in 1947 to $437 below last year.

South Carolina—In 1954 when it made the open shop compulsory, it was $637 beneath the national average; 30 years later it was $2,673 below.

South Dakota—It was $48 below the national average in 1947, and by 1984 had skidded to $1,720 below.

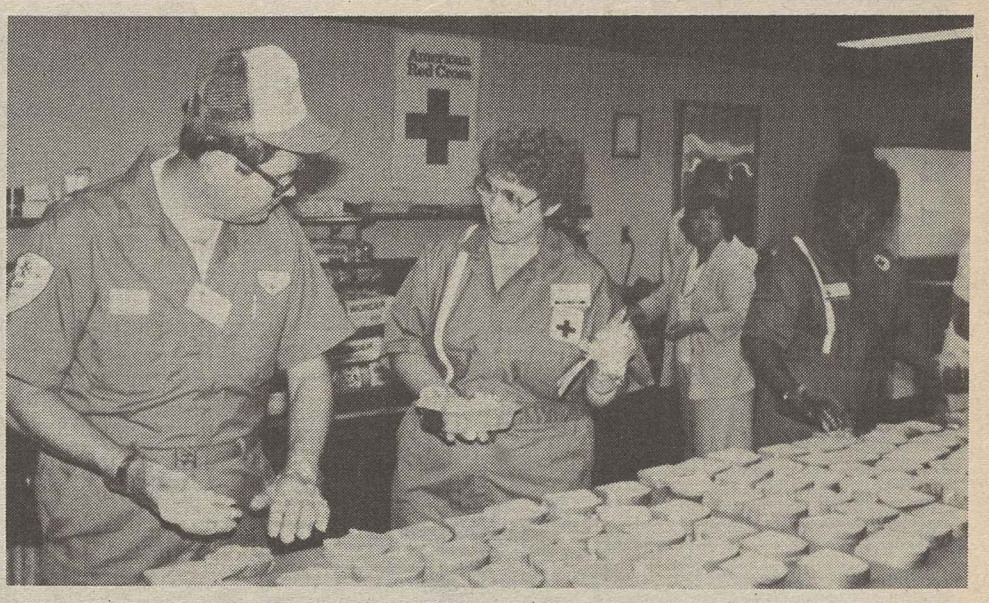
Tennessee—It went from $431 below the national average in 1947 to $2,370 below last year.

Texas—When ''right-to-work'' was passed in 1947, it was $181 below the national average; last year it was $217 below the mark.

Utah—It made the open shop compulsory in 1955 when it was $255 below the national average; by 1984 it had plunged to $3,056 below.

Virginia—In 1947 it was $312 below the national average, and remained below until 1981. By 1984 it had risen to $465 above the national figure.

Wyoming—It passed ''right-to-work'' in 1963, at a time when its per capita income was $9 above the national average. The figure has fluctuated widely since then, but by 1984 it was in the minus column, $565 below the national level.



## A union-hall haven

Relief workers man the sandwich lines at Electrical Workers union hall on Long Island, N.Y. For 11 days, IBEW Local 25's hall served as communications and administrative headquarters for Red Cross workers after Hurricane Gloria slammed into the New York coastal areas. Local 25 participates in the AFL-CIO/Red Cross Coastline Disaster Project, and has specially installed communications equipment to aid in Red Cross disaster relief.

# House beefs up food stamp, cargo preference programs

The House voted to repair some of the rips in the food stamp safety net and rejected attempts to cut back the scope of the cargo preference requirement that half of all government-generated agricultural exports be shipped on American-flag vessels.

Both issues were involved in a many-sectioned farm bill that the House debated for most of two weeks. As passed by the House, it maintains farm support programs the Reagan Administration wants to eliminate but lacks a production control mechanism that family farm organizations had strongly urged and the AFL-CIO had endorsed.

Many of the battles that engaged the House will be refought when a companion bill comes before the Senate later this month, including the provisions of special importance to labor.

On food stamps, the House bill would have the effect of making more low-income households eligible for food stamps and increasing the amount of assistance for those eligible. It would make more households eligible by allowing higher deductions from the income ceiling for shelter and child care costs. And it would raise the benefit level by providing a quicker adjustment for increases in the cost of the government's ''Thrifty Food Plan,'' on which food stamp allotments are based.

### Fighting hunger

In a letter to House members before the vote, AFL-CIO President Lane Kirkland stressed that ''the bill's modest increases in the food stamp program are necessary to offset the deep cuts that this program has suffered during the past few years which have hindered the battle against the continuing problems of hunger.''

The chief attempt to delete the food stamp improvements was beaten by a 238-171 margin.

But even if the House-passed improvements stayed in the final version of the bill and became law, the food stamp program would be more restrictive than it was before the heavy cutbacks made during President Reagan's first year in office.

The House Agriculture Committee had sought to confine the cargo preference requirement to the giveaway ''food for peace'' program. That would have eliminated coverage of farm export sales involving government subsidies and credits. The Merchant Marine Committee strongly defended the labor-backed cargo preference provision, and the House agreed by a 245-179 vote.

In another area, the House came close to writing into the farm bill a requirement that farmers receiving government aid who employ 10 or more workers provide drinking water, hand-washing facilities and toilets in their fields. It would have been a big step toward the field sanitation requirements on which the Labor Dept. has postponed action.

The House initially adopted the labor-supported amendment offered by Rep. George Miller (D-Calif.) on a voice vote. But on a later rollcall, it dropped the provision by a 227-199 vote.

## Postal rate hike delayed for union publications

The Postal Service's Board of Governors postponed a sharp postage rate increase for non-profit mailers following congressional approval of a continuing funding resolution which will expire Nov. 15.

The board, dominated by Reagan appointees, had set the rate boosts of some 30 to 40 percent for Oct. 1, 1985, by accelerating the planned phase-out of subsidies for non-profit mailers. Publications produced by trade unions, charities, religious and education organizations would have been hit hardest by the increase in second- and third-class rates.

The Administration has pressed to end subsidies for non-profit mailers, proposing to charge them full commercial rates.

# *House approves labor-backed import remedies*

**Continued from Page 1**

One of the bill's supporters, Rep. Marcy Kaptur (D-Ohio), had the answer to that claim. She brought to the House floor identical shirts, like those pictured in the Oct. 5 issue of the AFL-CIO News. They had been purchased in the same store at the same time. The price was exactly the same for the American-made and foreign-made shirts. Nor was there any difference in the U.S. and foreign-made children's sleepwear purchases that she also displayed.

Other House members from districts across the country spoke of the impact of closed plants in their communities and the loss of manufacturing jobs generally.

A version of the House-passed bill is pending in the Senate as an amendment to unrelated legislation involving Micronesia that the Administration wants enacted. Republican leaders put off further action on the Micronesia bill after the Senate refused by a 53-42 vote to kill the trade amendment. The Senate measure, which has bipartisan sponsorship, would limit quotas to the Asian nations that are the chief exporters of textiles to the United States. It would curb shoe imports as well as textile products.

In another area of major importance to labor, the House Ways & Means Committee made some tentative decisions on tax legislation affecting workers' paychecks and benefits.

On the positive side, from labor's viewpoint, it rejected the Reagan Administration proposal to tax workers' compensation payments and black lung benefits.

But it voted to tax all unemployment benefits as income, a labor-opposed feature of both the Administration bill and the measure proposed by Ways & Means Committee Chairman Dan Rostenkowski (D-Ill.). Present tax law excludes jobless benefits if the total of benefits plus other income for the year comes to less than $12,000 for an individual or $18,000 for a couple with a joint return.

The committee did vote to continue the system of allowing taxpayers to earmark a dollar of their tax payment for presidential election funding. The Administration had sought to abolish it.

It continued the existing child care tax credit and rejected proposals to end the present tax-exempt status of employer-provided child care facilities. But it placed a $5,000 limit on the tax-exempt status of job-related child care.

The committee has yet to face the issue of continued tax exemption for employer-provided health insurance, the most common job-related benefit. The AFL-CIO has stressed in a nationwide campaign that imposing new taxes on workers' paychecks amounts to a pay cut.

The committee also put off a decision on deductibility of state and local taxes, an issue which affects public services at all levels of government.

Committee actions are all subject to reconsideration when the panel starts matching anticipated revenues against tax losses. President Reagan has threatened to veto any bill that seeks to use tax reform revenues to reduce the federal deficit instead of further cutting the top tax rate for the very wealthy.

One of the few areas on which a consensus seems to have formed within the Ways & Means Committee is that the lowest-income households should be given a significant tax break. But under both the Administration proposal and the alternative put forth by Rostenkowski, the biggest tax savings would go to the people with the highest incomes.




## Made in the USA

North Carolina union members say "no" to imports at a demonstration in Charlotte during the State AFL-CIO convention. The 400 delegates marched through city streets to protest the heavy loss of manufacturing jobs in the state—especially in textiles and apparel. Delegates launched a "buy-union, buy-America" campaign among the state's 150,000 union members and urged limits on clothing and textile imports.

# *Bishops reaffirm call for policies to eliminate 'scandal' of poverty*

**By Candice Johnson**

The Roman Catholic bishops of America renewed their call for national economic policies to eliminate "the social and moral scandal" of povery.

In the second draft of their pastoral letter on the U.S. economy, the bishops affirmed that the "poor and vulnerable have a special claim on our concern and on the conscience of the nation."

"The impact of national economic policies on the poor and the vulnerable is the primary criterion for judging their moral value," the pastoral letter says. "Being a citizen of this land means sharing in the responsibility to shape and implement such policies."

The document stresses that economic decisions must be judged on whether they help all people. It views economic rights "as essential to human dignity as are the political and civil freedoms granted pride of place in the U.S. Constitution."

### Beliefs reaffirmed

Despite criticism from conservative Catholic, business and political groups, the bishops reaffirmed their "strong conviction that more can and must be done" to fight poverty and unemployment.

"There has been no backing down," said Archbishop Rembert G. Weakland of Milwaukee, chairman of the drafting committee.

The initial draft of the pastoral letter was praised by AFL-CIO President Lane Kirkland as calling for a society that gives workers, farmers, the poor and the elderly "a positive role in economic decision-making and new hope for for a 'life with dignity.' "

Federation Sec.-Treas. Thomas R. Donahue, Economic Research Director Rudy Oswald and Farm Workers President Cesar Chavez were among those who made presentations to the bishops' drafting committee which began work on the document in July 1981.

The new draft reaffirms the church's view of the dignity and importance of work, building on Pope John Paul II's description of work as "probably the essential key to the whole social question."

"Because work is this important," the letter continues, "people have a right to employment. In addition, in return for their labor, workers have a right to wages and other benefits sufficient to sustain life in dignity."

The document notes that some employers have great power over their workforce, often offering workers a choice "between an inadequate wage and no wage at all."

"But justice, not charity, demands minimum guarantees" including health care, security for old age or disability, unemployment compensation, safe working conditions, rest and holidays and reasonable security against arbitrary dismissal, the pastoral letter asserts.

The bishops placed strong emphasis on the rights of workers to organize unions, declaring that "no one may deny the right to organize for purposes of collective bargaining without attacking human dignity itself."

Union busting is strongly condemned, as the bishops criticize "the use of threats and intimidation to break existing unions and prevent workers from organizing." American labor law must be reformed to help workers find remedies for these unfair practices, the document declares.

The bishops also urged organized labor to continue its discussions and strategies focusing on the economy of the future.

With full employment "the foundation of a just economy," the bishops viewed the most urgent priority in domestic ecomonic policy to be the creation of new jobs with fair pay and decent working conditions.

"We must make it possible as a nation for everyone who is seeking a job to find employment," they stressed.

Terming high unemployment "morally unacceptable," the pastoral letter calls for a national commitment to achieve full employment with the following recommendations:

- Coordination of fiscal and monetary policies to make full employment the nation's number one goal.
- Increased investment in private-sector job training and retraining where workers have been affected by plant closings.
- Increased support for public job-creating programs, particularly to help the long-term unemployed.

The bishops' letter cites the strong link between poverty and unemployment, noting that millions of Americans are poor because they have lost their jobs or work at low-wage jobs. Terming the existence of poverty in America "a social and moral scandal in a nation of vast wealth," it calls for a full employment economy as the first line of attack against poverty. Other measures advocated to reduce poverty include:

- Aggressive steps to end discrimination against minority workers and women.
- Tax reform to ease the burden on the working poor.
- Greater access to quality education.
- Major welfare reforms, including a national minimum public assistance benefit.

Conservative critics of the document contend that it depends too heavily on government intervention in the economy. But Archbishop Weakland cited the bishop's position that "the government has a positive and necessary role to play in the search for economic justice."

A major change in the second draft of the pastoral letter calls for a reduction in the nation's $300 billion annual defense expenditures.

"Defense policies must be evaluated and assessed not only in terms of economic and political criteria, but from a moral point of view," the letter urges. "When this scrutiny of weapons systems and military strategies shows they make questionable contributions to security, peace, and justice and are also certain to cost large sums of money, then the funds in question should be used for more pressing social goals."

The new draft was distributed to the more than 300 American bishops. They will discuss the document at the November meeting of the National Conference of Catholic Bishops. The final draft will be released next spring and submitted to the conference for approval in November 1986.

## 'Good-faith bargaining'

**Chicago—Joseph Cardinal Bernardin of Chicago appealed "in the spirit of the Catholic Bishops' Pastoral Letter on the U.S. Economy" for the Chicago Tribune and three newspaper unions to resume negotiations to end the nearly three-month old strike.**

**Printers from Typographical Workers Local 16, pressmen from Graphic Communications Local 7 and mailers from Mailers Local 2 struck the paper July 18 after management refused to honor its agreement on job security.**

**Communities across the country will apply and interpret the bishops' letter differently, "depending on local circumstances and local problems, both short-term and long," Cardinal Bernardin observed in a pastoral letter of his own to the Chicago diocese.**

**In the case of Chicago, he said, the chapter titled "A New Experiment: Partnership for the Public Good" is particularly relevant to the current dispute at the Chicago Tribune.**

**The cardinal said he is convinced that the Tribune and its union workers can find a solution to the current impasse "by bargaining in good faith, around the clock if necessary, in a sincere effort to settle their differences."**

# House girds for battle on budget setup

**Continued from Page 1**

Raising revenues through tax reforms would be a good start toward deficit reduction, Denison indicated in a letter to senators. But "it is not in the country's best interest to legislate a binding process for bringing the budget into balance without regard for its impact on people and programs."

Denison acknowledged the legislative steamroller forming on the issue, but urged that any mandatory balanced budget plan include a revenue-raising feature.

It would be cruel to ask those who depend on the nation's already battered social programs to pay the major cost of deficit reduction when wealthy individuals and profitable corporations pay little or no taxes," he insisted.

### Impact on poor

Programs serving the elderly and the unemployed should be exempt from mandatory cuts, he said. While "exempting social security is essential," Denison said, the impact of the Senate bill would still fall heaviest on the unemployed, the elderly and the poor.

Except that it would not be enshrined in the Constitution, the rigidity of the Senate-passed balanced budget requirement would be comparable to the perennial constitutional proposal that the Senate has several times passed with the assurance that it would be sidetracked in the House.

The Senate bill, cosponsored by Phil Gramm (R-Tex.), Warren B. Rudman (R-N.H.) and Ernest F. Hollings (D-S.C.) would allow Reagan to veto any tax increase, as he has repeatedly threatened to do and compel Congress to make drastic and politically unpalatable slashes in "controllable" government programs—or turn the responsibility over to the President. It is uncertain under the legislation's vague definitions what share of the defense budget would be immune to mandatory cuts.

## Marine Engineers elect C.E. DeFries as Calhoon retires

C.E. DeFries was elected president of the Marine Engineers by the union's executive committee to succeed Jesse M. Calhoon, who retired Oct. 1 after holding the post for more than 20 years.

DeFries, 57, is president of MEBA District 1—Pacific Coast District. He has served as MEBA's secretary-treasurer since 1977, following 14 years as an international vice president. He has been a member of the union since 1951.

Calhoon, 62, was first elected president of the 16,000-member union of shipboard engineers and radio officers in 1963.

Clyde E. Dodson, executive vice president of District 1, was elected to succeed DeFries as secretary-treasurer, and Karl Landgrebe, the Seattle branch agent for District 1, will fill the executive vice president post, succeeding Dodson.



C. E. DeFries

## Former secretaries agree

# Labor law inadequate for changing times

The half-century-old National Labor Relations Act needs a massive overhaul to resolve problems caused by changing economic, technological and political trends, according to two former secretaries of labor.

Speaking at a three-day Washington conference sponsored by Southern Methodist University School of Law, John T. Dunlop, labor secretary under President Ford, called the current system "destructive of our economic future," while F. Ray Marshall, who held that post under President Carter, said the present law "does more to protect employers' interests than to help unions or workers."

Emphasizing that the relative strength of unions has been weakened by the way the NLRA has been enforced, Marshall, now a professor at the University of Texas, asserted:

"Even before the Reagan board tilted NLRB decisions more against unions, employers' interests were much better protected . . . than those of workers or unions.

"The board and the courts have been much more effective in restricting such union self-help activities as secondary boycotts than they have been in restricting such employer practices as boycotting union contractors, helping each other during strikes, discharging workers for union activity or stonewalling during contract negotiations.

"Moreover," he added, "expensive legal maneuvers and weak penalties for violations all bias NLRB procedures against unions and workers."

### Weighing public interest

Marshall said that unions "probably would be better off" without the present law, but added that "it would not be in the public interest to return to the law of the jungle."

He insisted that national labor relations policy should be "neither pro-union nor pro-employer, but pro-worker," and called for "strengthening the workers' right to timely decisions" about union representation. The right to representation, Marshall said, has "been compromised by the board's inability or unwillingness to hold timely elections and prevent unfair labor practices, especially the discharge of workers for union activity."

Dunlop, now a professor at Harvard University, agreed with Marshall's view that the legal framework of industrial relations must be made more compatible with changes which have occurred in the 50 years since the NLRA became law.

He was critical of the way in which "various agencies of government with shifting personnel and ideology, largely without practical experience in industrial relations, have sought constantly to reshape collective bargaining in their graven images."

Dunlop opposed efforts by regulatory agencies and the courts to apply uniform concepts and rules to labor-management relations, declaring that this emphasized "process over substance."

The "great virtue of collective bargaining," he said, "is the capacity to write and enforce provisions appropriate to separate markets, technologies and localities." The board's attempts to apply single rules across a complex society amount to a "straitjacket," he added.

### Cooperative efforts

Dunlop called for joint labor-management efforts to increase productivity and make U.S. industry more competitive in world markets. But without cooperation from management, he said, "no package of proposals is very likely to get beyond formal positions."

Howard Jenkins, a former NLRB member, criticized the way in which opinions of administrative law judges that stand "no chance" of being overturned can still be appealed to the board. This wastes time that could be better devoted to more careful drafting of decisions which are going to the courts for review, he said.

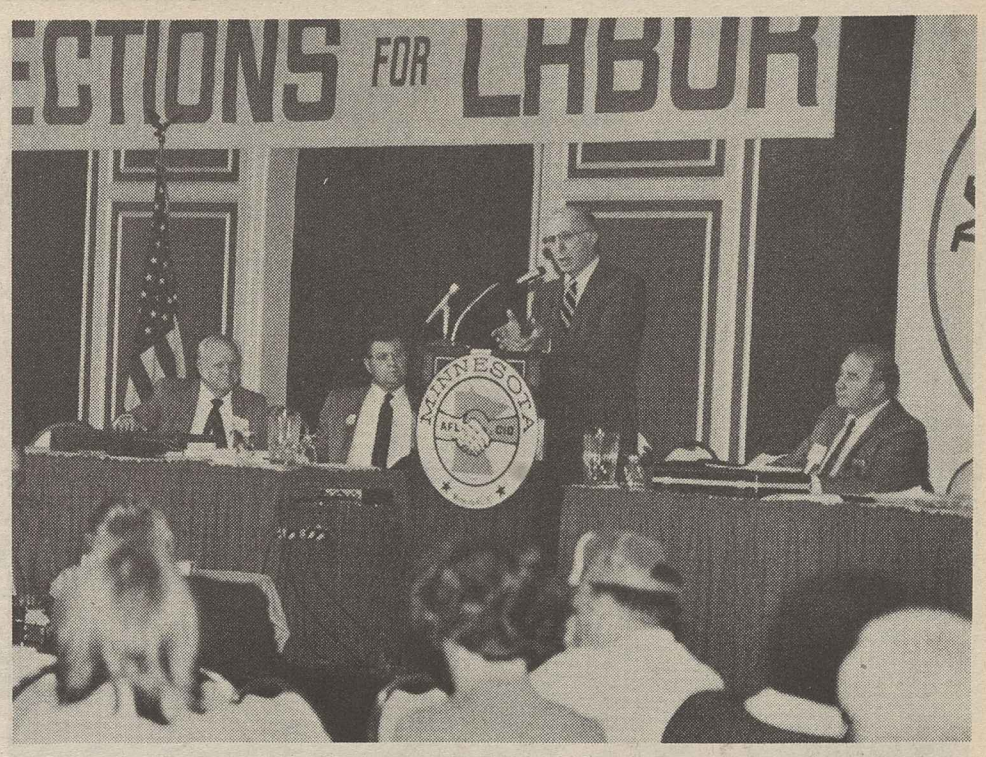
Elliot Bredhoff, general counsel to the AFL-CIO Industrial Union Dept., said that the NLRA—often described as labor's "Magna Charta"—initially played a major role in the establishment and expansion of workplace rights for millions of workers, but declared that those goals have not been realized in recent years.

"The act has become a snare and a delusion," Bredhoff said. "For thousands of workers, the freedom and security promised by the legal framework of our labor system have been replaced by fear, insecurity and deprivation.

"It is time to make substantial changes in our entire approach to regulating labor relations so that we can deal more flexibly and effectively with today's economic reality," he declared.

Robert J. Connerton, general counsel of the Laborers, was sharply critical of recent NLRB decisions restricting the scope of collective bargaining laws, and said the board "has made a joke of collective bargaining in the construction industry."

"By manipulating their workforce selection or corporate structure," Connerton said, "contractors can work either union or non-union as they choose," and unions "confront the ever-present threat that the employer will, with apparent board approval, walk away from bargaining obligations tomorrow, if not today."




AFL-CIO Sec.-Treas. Donahue addresses Minnesota AFL-CIO convention. Seated from left are AFL-CIO Region I Director Jim Freeman, State Federation Sec.-Treas. Bernard Brommer and President Dan Gustafson.

# Trade and budget policies draw Minnesota labor's fire

St. Paul, Minn.—The impact of President Reagan's trade and budget policies on farmers and workers wove a continuing thread through nearly every speech at the Minnesota AFL-CIO's convention here.

Delegates to the three-day convention backed legislation to save the family farmers by guaranteeing them a fair return on production.

Seafarers President Frank Drozak, who also heads the AFL-CIO Maritime Trades Dept., told the 729 delegates that farmers and the merchant marine "are not in disagreement over foreign trade issues," despite attempts by the Administration and some members of Congress to drive a wedge between them.

National Farmers Union President Cy Carpenter joined Drozak in a press conference to announce a compromise on the U.S. cargo preference law for shipping American food overseas.

Delegates viewed a new video presentation on the AFL-CIO's report, "The Changing Situation of Workers and Their Unions." It was produced by the Labor Institute of Public Affairs, the federation's television unit.

AFL-CIO Sec.-Treas. Thomas R. Donahue, who chaired the committee that produced the report, urged unions to implement its recommendations for innovative approaches to the challenges facing labor. "We have to find new links and avenues of communication, and we have to involve all of our members more deeply in the trade union mission," Donahue declared.

He warned delegates that the nation faces a shortfall of nearly eight million jobs.

"Don't let anyone tell you that the solution to the food surplus is to send farm families into the job market—and unemployed workers to God knows where," he said. "The trade crisis is striking at every point in the economic spectrum—high tech and low, labor intensive industries and capital intensive industries—it's hitting farmers and steelworkers, hardware and software, right across the country."

### Pilot program

In response, the delegates backed four trade bills pending in Congress and approved a pilot program to utilize displaced union workers on COPE committees, in job search activity, organizing and strike assistance.

State AFL-CIO President Dan Gustafson also won approval for a committee to devise ways to circulate labor video presentations and to provide a labor newspaper to those union members not receiving one. The committee will have representatives from the Duluth, Minneapolis and St. Paul central bodies.

AFL-CIO Vice President Joyce D. Miller, president of the Coalition of Labor Union Women, told the delegates that the major cause of the wage gap between men and women is sex- and race-based discrimination.

The convention adopted resolutions urging a minimum tax on corporations, repeal of the Hatch Act, equal pay for comparable work, plant closing legislation, and divestiture from companies with holdings in South Africa by the state and the University of Minnesota employee pension funds.

Other speakers included the state's U.S. senators, Rudy Boschwitz and David Durenberger, both Republicans, Lt. Gov. Marlene Johnson, Attorney Gen. Hubert H. Humphrey III, Rep. Bruce Vento (D) and AFL-CIO Region I Director Jim Freeman.

# *OMB hit for thwarting asbestos rule*

**By Arlee C. Green**

Organized labor's initial fears that the Office of Management & Budget would abuse the regulatory review powers granted to it by President Reagan have been borne out by a congressional report detailing OMB's efforts to thwart a ban on asbestos.

The report, prepared for the House Energy & Commerce Subcommittee on Oversight & Investigations, "documents one of the grossest examples of OMB involvement in the Environmental Protection Agency's rulemaking process," AFL-CIO safety specialist Margaret Seminario said.

"The utility of this report is that it documents the level of OMB's involvement" in blocking federal regulations that are opposed by business, she said.

The EPA's six-year rulemaking effort on asbestos has been lengthened by OMB's intervention by at least one year, according to the report.

The agency planned to ban the manufacture and use of asbestos in a number of products, phasing them out over 10 years. The dangers of asbestos, which include lung cancer, asbestosis and other often fatal diseases, have long been known.

The OMB, through a series of meetings and telephone calls, persuaded EPA Deputy Administrator A. James Barnes to abruptly halt the agency's rulemaking and defer to OSHA and the Consumer Product Safety Commission for regulatory action. The OMB held that the Toxic Substance Control Act required EPA to do so.

Barnes's referral action last February was heavily criticized and prompted a congressional investigation. EPA reversed itself a month later.

### Worker exposures

The AFL-CIO had objected to Barnes's action deferring to OSHA and the CPSC for rulemaking action on asbestos. Seminario reaffirmed the need for the EPA regulations, but also urged that OSHA act to reduce worker exposure to asbestos. She noted that even after production of the carcinogenic material is banned, it will still pose a danger in the many buildings in which it has been used.

The subcommittee, headed by Rep. John D. Dingell (D-Mich.), said the "burgeoning evidence" of OMB's open door for special interests and its usurpation of agency authority revealed "a powerful agency out of control."

In a letter to other subcommittee members, Dingell called the OMB's regulatory interference "unlawful." The OMB's review authority, granted by Presidential Executive Order 12291, can circumvent congressional intent through "a review process which is shrouded in secrecy, unbounded by statutory constraints and accountable to no one," he said.

Seminario supported the report's major recommendations for legislation to prohibit OMB review of agency regulations and to insure that all communications between OMB and federal agencies relating to regulatory activities are made public.

The report strenuously objected to OMB's insistence on a cost-benefit analysis for the regulations which valued a human life at $1 million and then discounted its worth over the period of years following the exposure. The subcommittee called OMB's concept "morally repugnant."

The EPA "capitulated to pressure from OMB," the report found. It held that Barnes "compromised the integrity of EPA . . . and is directly responsible for the agency's ill-founded decision to refer asbestos regulation to OSHA and CPSC."

It suggested that EPA immediately publish its proposed regulations for public comment, that it reject formal cost-benefit analysis as a determinative factor in rulemaking and that it maintain public files of its written and oral contacts with OMB.

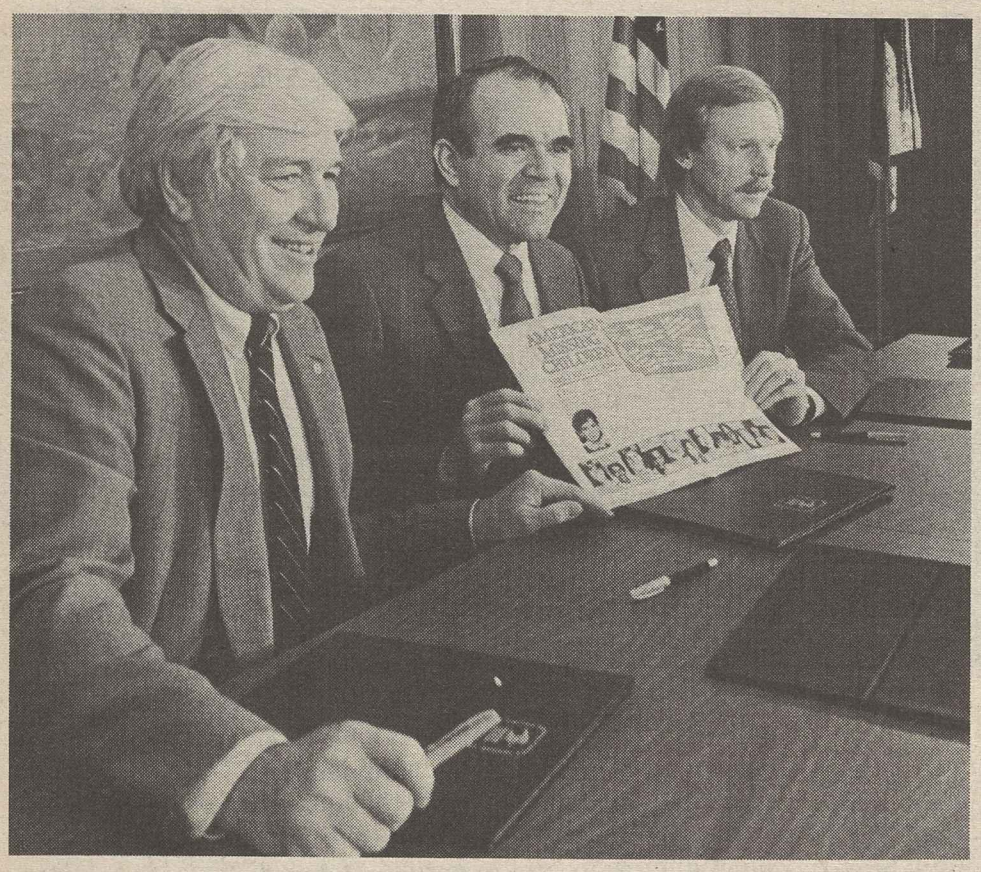
## Paul Askew, labor veteran, dies at 73

Norfolk, Va.—Paul A. Askew, who had served on the staff of the Operating Engineers for 25 years, died here on Oct. 6 following a long illness. He was 73.

Askew, an IUOE Local 147 member since 1940, served as an international representative, regional director, administrative assistant to the president and director of organizing for the IUOE. He had been a vice president of the Virginia AFL-CIO and president of the Greater Tidewater AFL-CIO in Norfolk.

AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said in letters to Askew's daughters, Judy Robbins of the International Labor Communications Association and Shirley Askew, that "the leadership he gave for so many years . . . was a priceless asset to the entire labor movement."

Funeral services were held Oct. 9.



## 'Child Alert'

Letter Carriers President Vincent R. Sombrotto pledges his union's cooperation in a national program to help find missing children. The Letter Carriers magazine will carry photos of missing children in the hope that some union member making a mail delivery will spot one of the children. Signing the statement of cooperation are Sombrotto, Postmaster Gen. Paul N. Carlin and Jay Howell, director of the National Center for Missing & Exploited Children.

### Lost jobs, hope, lives

# Reagan trade policy yields bitter harvest

Lost jobs, lost homes, lost hopes—and, in some instances, lost lives—are the legacy of President Reagan's trade policies, a series of witnesses told a congressional oversight hearing.

The session came amid growing debate over the future of the Trade Adjustment Assistance Act. Due to expire Sept. 30, it was kept alive for 45 days while Congress wrestles with a way to minimize the damage caused workers and industries by unrestrained foreign imports. The White House has consistently favored scuttling the assistance program.

While the Administration "continues to espouse a free-trade policy, they refuse to deal with the consequences of that policy," Rep. Barney Frank (D-Mass.), chairman of a House Government Operations subcommittee, said in his opening statement.

A series of witnesses agreed.

### Double victim

Alma Lambert, a 47-year-old Baltimore worker, was a double victim of the Administration's trade policies. A member of the Ladies' Garment Workers, she said imports are taking away her job, and her 51-year-old Steelworker husband expects to be laid off soon for the same reason.

Lambert and her coworkers were reduced to part-time work last year when her plant shifted half its operations overseas. Now the plant is closing all its domestic production to concentrate on its foreign operations.

"My question is," she said, "where do we go? Do I sell my house? Where do we get help from?"

Frank told her the Administration believes "you would lose your incentive to work" if the government provided any kind of help.

"That's false," she replied. "I have been working since I was 14."

John J. Sheehan, Steelworkers' legislative director, told the subcommittee that when steel and copper workers lose their jobs, "we tumble down very far in our standard of living."

He reiterated labor's support for a strengthened and adequately funded trade adjustment program, with particular emphasis on income assistance for workers, but stressed that American jobs can best be safeguarded through sound trade and economic policies.

James F. Collins, executive vice president of the American Iron & Steel Institute, told of workers who have committed suicide because their jobs had been shot out from under them as a result of imports.

"People want jobs," Collins said, and cannot find them because of predatory foreign competition. Imports have wiped out about 240,000 high-paying steelworker jobs—a 53 percent cut in employment in the industry—he pointed out.

Despite the testimony about the victims of imports, the Administration continued to take a tough stand, with Marian Barell, deputy assistant U.S. trade representative, declaring that "although we have indeed seen job losses in certain sectors and have seen our trade deficit rise, it would be a serious mistake to draw a casual link between the two."

Under sharp questioning from Frank, she conceded there was a relationship, but said that any effort to restrict quotas to save jobs would lead to retaliation from America's trading partners.

## Kirkland hits jailing of Chilean unionists

The jailing of two trade union leaders in Chile constitutes "an abridgement of the right of peaceful assembly and freedom of association," the AFL-CIO said.

President Lane Kirkland, in a sharply worded cable to Chile's President Augusto Pinochet, protested the arrests of Rodolfo Seguel, who heads the 25,000-member copper miners, and Manuel Bustos, a textile workers leader. Kirkland pledged American labor's continued "solidarity with the democratic trade unionists" in that Latin American country.

Seguel and Bustos, who head the National Workers Command—an umbrella organization of opposition leaders—were jailed for their continued protest against military rule in their country. They were charged with violating national security laws.

# South Carolina convention focuses on political action

Charleston, S.C.—"We're fighting for the future," South Carolina AFL-CIO President Randy Kiser told some 250 convention delegates here, echoing the slogan on the red, white and blue banner behind him and urging increased political activism by union members in the 1986 elections.

"We're talking about politics," Kiser said. "We want you active in those legislative action committees" and in the voter registration drive the state federation plans before the next elections.

Kiser was followed by John Perkins, national COPE director, who urged that union members back candidates who are "friendly to labor" and donate funds to help get them elected.

The convention was held despite the threat of Hurricane Gloria which loitered just off the coastline and caused cancellations of several scheduled speakers.

### Preventive actions

Chuck Johnson, AFL-CIO community services liaison representative with the Red Cross, updated the delegates on the location of the storm and reported the preventive actions being taken by the local unions that are members of the AFL-CIO/Red Cross Coastline Disaster Project.

The delegates were warned by Kiser that legislation may be introduced in the next session of the state legislature to weaken workers' compensation. State Sen. Isadore Lourie (D) urged labor to be there for the fight. "I want the voice of the employee to be heard with a thunderclap throughout the statehouse," he said.

Rep. Robert M. Tallon decried the Reagan Administration's economic and trade policies, telling the delegates, "We're going backwards...and every major policy decision in the past year has accelerated our slide."

Tallon called for an industrial policy to restructure and revitalize "our so-called sunset industries." If America can have "an agricultural industrial policy and a military industrial policy, why the hell can't we have an industrial-industrial policy?" he asked.

Kiser, Sec.-Treas. R.H. 'Buster' Harmon and nine members of the executive board were re-elected to office, and three new executive board members were chosen.

Delegates called for enactment of the Construction Security Act, sponsored by Rep. William L. Clay (D-Mo.), which would outlaw "double-breasting" in the construction industry, terming it a double-cross by management against unions.

Other resolutions backed the boycott of Continental Airlines and New York Air. The convention also urged state legislation permitting an assessment on "free loaders" when they use a union's services.

Other guest speakers included AFL-CIO Region V Director James Sala, and State Senators Herbert Fielding and Hugh Leatherman.

# Wyoming labor maps fight for repeal of open-shop law

Casper, Wyo.—Repeal of Wyoming's compulsory open shop law was made the top legislative priority by the Wyoming AFL-CIO convention here.

The resolution calling for repeal of the 22-year-old state "right-to-work" law noted that workers "know firsthand its real effect of weakening their collective bargaining power."

The resolution urged increased efforts to mobilize Wyoming workers for the "election of our friends to the Wyoming legislature" so the measure can be repealed.

The 98 delegates to the two-day convention backed passage of federal tax reform legislation that fairly distributes the tax burden and relieves the "hardships placed on working Americans." State federation affiliates were urged to inform their members of the "unfairness" of the Reagan tax plan which heaps added tax breaks on corporations and the wealthy.

The convention criticized the weak federal standard on hazard communication and urged the Wyoming Occupational Safety & Health Commission to adopt and enforce a standard that will provide workers with the right to know workplace hazards.

The delegates called for improvements in unemployment compensation benefits to at least two-thirds of a worker's weekly wage up to a maximum of not less than three-quarters of the state's average weekly pay. In the adopted resolution, they urged a program of extended benefits and less restrictive qualifications.

### Officers elected

State AFL-CIO President James A. Perkins and Vice President Dennis Goodwine were elected to full terms of office, after having been appointed to those positions last summer following the retirement of L. Keith Henning as executive secretary. John M. Faunce, who replaced Henning, was appointed to a two-year term as executive secretary.

Wyoming Gov. Ed Herschler (D) in an address to the delegates took aim at the Reagan Administration, pointing to the problems with free trade, the lopsidedness of the National Labor Relations Board and the efforts to subvert the Davis-Bacon Act.

# *Nebraska delegates elect Ken Mass*

Grand Island, Neb.—Delegates to the Nebraska AFL-CIO's biennial convention here elected Ken E. Mass secretary-treasurer, replacing Victor G. Meyers who retired after nearly a decade in office.

State AFL-CIO President Gordon McDonald was re-elected to his second full four-year term of office.

Mass is president of Electrical Workers Local 1974 in Omaha.

Meyers, 65, held a number of offices with Meat Cutters Local P-47 in Omaha and was the state COPE director before his election as secretary-treasurer in 1977.

AFL-CIO Vice President Joyce D. Miller, president of the Coalition of Labor Union Women, told the more than 200 delegates and alternates that pay equity—equal pay for jobs of comparable work—has "moved from being a women's issue to being a workers' issue, where it belongs."

Miller, a vice president of the Clothing & Textile Workers, scored the Reagan Administration for the troubles that have been heaped on working class families over the past five years, and on working women in particular.

She pointed out that there are more poor children in America now than ever before, there are more female-headed households than ever before, and women's wages still average 35 percent less than men's. She blamed this on sex- and wage-based discrimination.

### Jobs and justice

Gov. Bob Kerrey (D) praised the efforts of organized labor in seeking jobs and justice, urging trade unions to continue to fight conditions that are unjust or wrong.

He noted that for more than a century the labor movement has improved the quality of life for workers, bringing about such protections as unemployment and workers' compensation, health insurance, and child labor laws.

The state's attorney general, Robert Spire, stressed that citizens should expect the attorney general to uphold their rights, including laws to protect workers from discrimination. He credited organized labor for gaining enactment of such measures.

A workshop on the federal reporting and election requirements for local unions was held by representatives of the Labor Dept.

The delegates adopted resolutions opposing the Reagan Administration's scheme to tax workers' benefits, urging the restoration of fair corporate taxes, backing the repeal of the state's so-called right-to-work law, supporting legislation to halt corporate raids on employee pension funds and urging restoration of railroad workers cost-of-living adjustments.

Other resolutions backed full affiliation of local unions with the state federation, supported an expanded farm-labor coalition in Nebraska, and urged uniform application of minimum wage laws for all workers.

# EDITORIALS

## Tomorrow's Unions

AMERICA's unions today are the net product of over 150 years of development, of successes and failures, and they reflect the fact that for all of those years they have existed in struggle. They have never been welcomed by employers or well received by the community—but disturbers of the status quo, change agents in society, never are.

The pages of U.S. labor history are filled with the sacrifice, and in some cases the blood, of workers. And those struggles and sacrifices continue today in southern textile mill towns, in western mining communities, in major cities and country towns where hospital and health care workers struggle for recognition and wherever pickets walk.

Today's unions are the inheritors of all that history, the bearers of all those scars. I suppose it is because of pride in having overcome those substantial adversities that we tend to expect present participants to be inordinately grateful for what they inherited.

That past holds great value for the lessons it can teach but ought never be the vehicle by which anyone glides over current failure or inadequacies, nor can we ever allow it to be a substitute for meeting the problems of this day.

No activist or leader of this labor movement can merely preside over what was created in the past or use its past glories or accomplishments to justify tolerating the status quo. In a world which changes as rapidly as ours, activists and leaders must learn from the past but must focus their attention on today and tomorrow.

THOSE WHO speak of the decline and death of the labor movement overlook the fact that it is not merely a collection of institutions but is a movement—an idea—a philosophy—a piece of society.

It has existed and survived in one form or another ever since human beings first found themselves in the position of having to earn their daily bread by working for others, and it will exist as long as that arrangement continues.

Unions have no life of their own, apart from their members—they are, in fact, their members, and they change in every generation in whatever way the needs of those members dictate.

*—From AFL-CIO Sec.-Treas. Thomas R. Donahue's Jerry Wurf Memorial Lecture at Harvard University.*

## A Senate Blunder

THE SENATE has sometimes been described as the deliberative body of Congress, where legislation passed in haste by the more unruly House of Representatives can be given more careful scrutiny.

Perhaps it's time to rewrite some civic textbooks. In the case of the ill-conceived, patchwork balanced budget legislation steamrollered through the Republican-controlled Senate, it is the House that will be called upon to provide the responsible scrutiny.

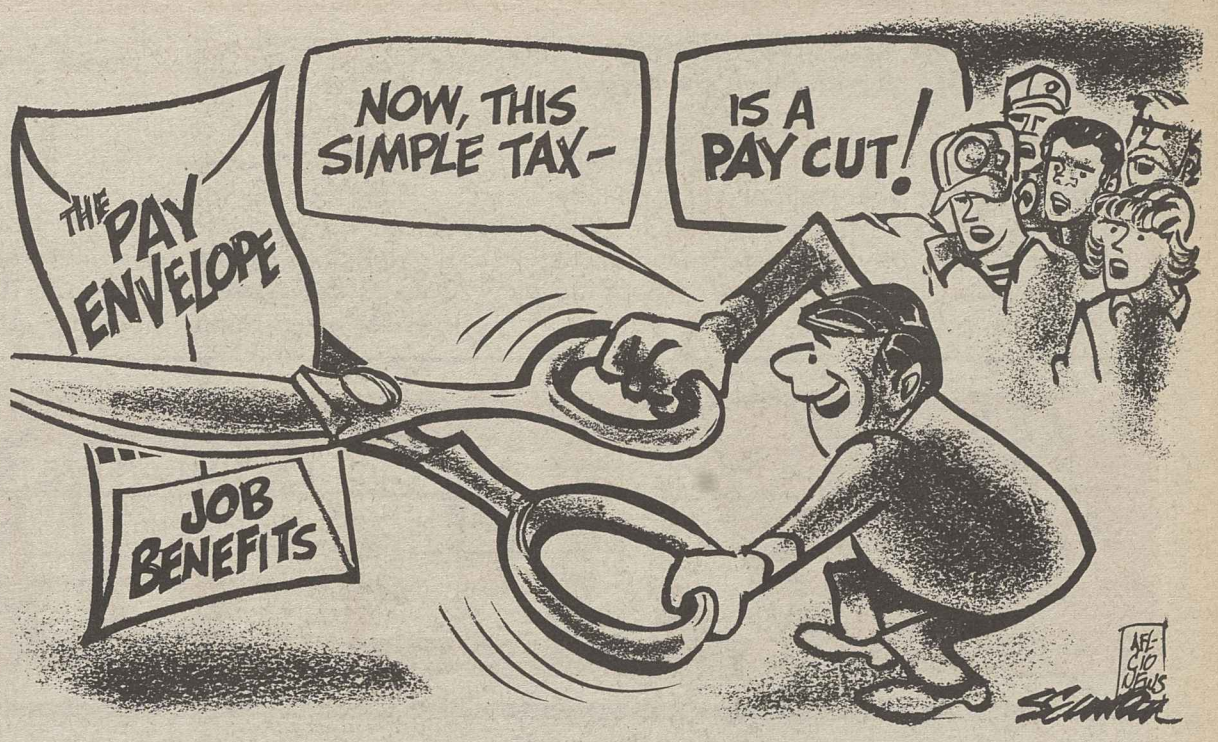
Some Senate Democrats who should know better excuse their vote with the lame reasoning that forcing unacceptable choices on the President is the only way to compel Mr. Reagan to accept the fact that the tax cuts he brags about, mostly to the wealthy, are the cause of the huge rise in the deficit.

Much more logical are the Reagan Administration ideologues who have never concealed their strategy that starving the government of revenue is the surest way to force a drastic shrinkage in the role of the federal government. They would in effect nullify the constitutional mandate to ''promote the general welfare'' as well as ''provide for the common defense.''

New Jersey's Sen. Bill Bradley had some sensible things to say about the deficit reduction gimmick so hastily sprung upon the Senate.

Congress doesn't need any new procedures if it wants to reduce the deficit, he said. ''If we truly want to see defense cut,'' the senator said, ''we should vote now to do so.'' And ''if we believe more revenues are necessary, we should vote a tax bill now.''

If Congress abandons its responsibility ''in a moment of irrationality and timidity,'' he warned, ''it will be an action that we will all live to regret.''




**Washington Window**

## Ballfield's asbestos dust sparks toxic waste drive

**Press Associates, Inc.**

The Little League memories of John O'Connor could have been those of any typical American boyhood—the great slides into second base on the ballfield donated by a local company.

But O'Connor's Little League experience wasn't quite the stuff of which American nostalgia is made. When he and his teammates slid into second, they came up covered in white, metallic dust.

The O'Connor family lived about 200 yards from the Raybestos Co. brake liner plant in Stratford, Conn. Raybestos had generously built the ballfield on top of its asbestos tailings dump.

It wasn't until he was in college that O'Connor made the connection between asbestos, his teammates' cancer deaths, his neighbors' health problems and his own respiratory and skin ailments.

As a VISTA volunteer, O'Connor pioneered the organizing model now used in many communities with toxic waste problems. He later helped form and lead a coalition of labor, environmental and citizens' groups to victory on ''right-to-know'' about toxic hazards legislation in Massachusetts. In 1984, O'Connor cofounded the National Campaign Against Toxic Hazards, a coalition of 300 labor, environmental, and public health groups.

### Superfund expansion

The National Campaign and other union and environmental groups are pushing for a stronger Superfund law to clean up toxic waste sites. The Environmental Protection Agency estimates that 2,000 sites around the nation may be eligible for Superfund cleanup money. Other estimates range as high as 10,000 sites, with $100 billion or more as the eventual cleanup cost.

Consequently, the groups are urging Congress to raise the Superfund to at least $10 billion for the next five years from its original $1.6 billion funding level and to strengthen cleanup standards.

The Reagan Administration has threatened to veto any such Superfund law. It proposed only some $5 billion in funds and has repeatedly opposed timetables and federal standards.

One of President Reagan's favorite methods of denigrating programs which he doesn't like, such as Superfund, is to portray the leaders of grassroots citizen groups as ''special interests'' whose primary concern is to protect their own jobs.

But American history is almost unique in the way citizens band together to solve common problems. Like O'Connor, these citizens are driven by personal, not selfish interests. Some examples:

- When Cathy Hinds and her family moved to East Gray, Me., in 1974, she couldn't understand why the family was suddenly stricken with headaches, blurred vision, breathing problems, rashes and numbness. After her infant son died, a physician linked the child's death to well water contaminated with benzene and other toxic chemicals from the nearby McKin chemical dump.

Hinds founded the Maine Coalition on Toxics, which later affiliated with the Maine People's Alliance, to push for cleanup of the site.

- Soon after Bonnie Exner's family moved to Aurora, Colo., they began to experience what Exner called a ''nightmare'' of respiratory problems, headaches and nosebleeds every time the wind from the 2,700-acre Lowry landfill blew toward her house.

Exner joined with her neighbors and the Colorado Citizen Action Network to fight attempts by the dump's operator, Waste Management, Inc., to expand the site to accept waste from other states. The coalition wants the dump closed and cleaned up before the contamination reaches the Arapaho aquifer, the main drinking water source for the eastern ridge of the Rockies.

- Persis Grover and her husband moved to Auburn, Me., just after her first healthy son was born. Her second and third children, however, were born with serious birth defects.

Grover eventually discovered that her new home was next door to the Auburn ash landfill, which is contaminated with dioxins and other deadly toxics. Grover, a leader in the Maine People's Alliance, is trying to get Auburn on the Superfund cleanup list.

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***20 Years In Prison For Strikers?***

## *Victory For U.S. Workers; Panel Kills Anti-Picket Law*

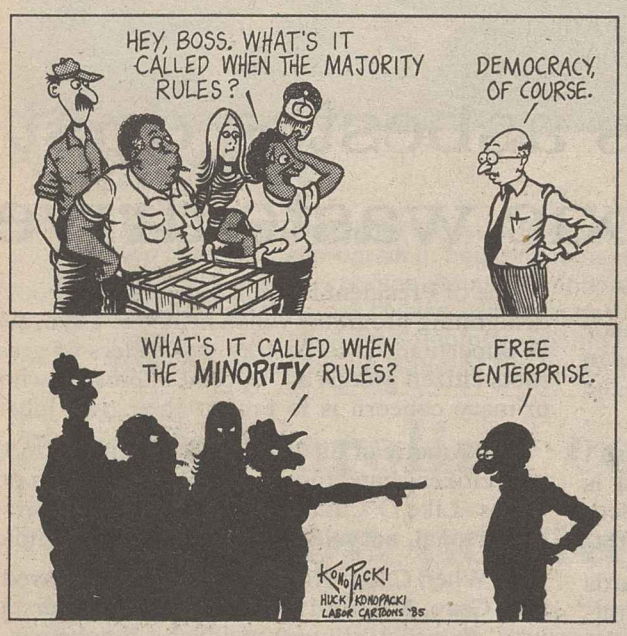
Fighting against tremendous odds, workers across the country won a major victory against the radical right in the U.S. Senate recently and killed for the present a carefully orchestrated plot to legalize the use of Federal troops to break up picket lines. The scheme, which would have revised the Hobbs Act, was the centerpiece of the new right wing agenda to strip workers of their basic rights. It is a major setback for the multi-million-dollar funded National Right-To-Work Committee.

The measure was killed in the Senate Judiciary Committee by a 9 to 9 vote. The revisions would have imposed up to 20 years in Federal prison and $10,000 in fines for even minor incidents of picket line violence, while not imposing any comparable sanctions upon management.

Present law gives authority over assault and property damage to state and local authorities where penalties are less severe.

Under Senate rules, it is still possible for the Hobbs Act revision to appear as an amendment to another bill, so workers must still keep their guard up against this threat.

# AFL-CIO LEGISLATIVE ALERT!




## Rambo Doll, Symbol Of Patriotism, To Be Made In Far East

Coleco Industries -- the Cabbage Patch Doll people -- have announced that they will soon produce a line of "Rambo" toys and dolls, based on the recent hit movie. The film portrays a make-believe American hero whose heroics rewrite the history book on the Vietnam War.

And where is Coleco going to manufacture this new symbol of patriotic America? In the Far East, of course, thereby taking real jobs away from real Americans.

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***Face-To-Face With Your Lawmaker***

# Grassroots Lobbying Efforts Get Results In Nation's Capitol

American workers are making their opinions heard all the way from their congressional districts to Washington this year.

Working through Legislative Action Committees or through their own Central Labor Councils, members are meeting face-to-face with their congressmen and senators to find out where Legislators stand on the proposed tax on employee benefits and other important issues. And they are getting results.

Here are some of the significant developments due directly to worker grassroots lobbying this year:

o Plant Closing Legislation --Labor's drive in the House to move legislation to protect workers victimized by no-notice plant closings received a big boost when the Legislative Action Committee in the first district of Massachusetts convinced Senior Republican Rep. Silvio Conte to become the lead GOP sponsor on the legislation. Conte's cosponsorship gave the bill the prestige of a top-ranking Republican and the important bipartisan leadership support that helped push the bill out of the House Education and Labor Committee.

o Textile Trade -- Continued lobbying by the AFL-CIO network of 25 congressional Legislative Action Committees (LAC) resulted in 17 additional members of Congress cosponsoring the textile trade bill -- legislation to limit imports of textiles, which now has over 300 cosponsors.

o Banning Polygraphs -- Gathering cosponsorships is also a critical phase in the strategy to move legislation in the House to ban the use of polygraphs in private sector employment. With no members having signed on in the state of Indiana, the Legislative Action Committee visited Rep. Lee Hamilton, the state's senior House Democrat. He agreed to cosponsor and was soon joined by Rep. Peter Visclosky.

o Taxing Employee Benefits --Over half of the House members in the LAC network have cosponsored H.Res. 268, a "sense of the House" resolution opposing the taxation of support benefits.

## CWA Urges Congress To Restore Service And Preserve Jobs

A petition drive has been launched by the Communication Workers of America as part of an effort to get Congress to clean up the mess caused by the break-up of AT&T.

Citing soaring telephone bills and the loss of union jobs in the telephone industry, CWA is urging Congress to isolate the problems and correct the damage. More than 40,000 people have lost jobs in the Bell System and AT&T alone since the break-up.

AT&T is now moving its manufacture of residential telephones to Singapore, where wages are one-eighth the level of AT&T's American workers. Meanwhile, local telephone rates have shot up 18%.

Besides signing the petition when it comes to you, all union members are urged to use only union-made telecommunications services and equipment.

*A Return To Slavery?*

## New "Bracero" Plan Spoils Immigration Bill

As Congress works on much needed legislation to control the flood of undocumented workers into this country, a provision sponsored by fruit and vegetable growers threatens to spoil the bill by opening U.S. borders to "guest workers" from other countries.

The so-called "bracero" program -- named for the discredited foreign worker program outlawed in 1964 was tacked onto S. 1200 the Simpson Immigration reform bill by Senator Pete Wilson, (R-CA) shortly before Senate passage on Sept. 19. The plan is little more than legalized slavery and would bring in a half-million non-Americans, giving them few protections, just so growers can have cheap labor.

The bill is now in the House Judiciary Committee but the Bracero plan, if made a part of the House bill could undermine its chances at a time when a law is desperately needed to stave off the flow of illegals into virtually every industry in this country, including construction, manufacturing and even high-tech.

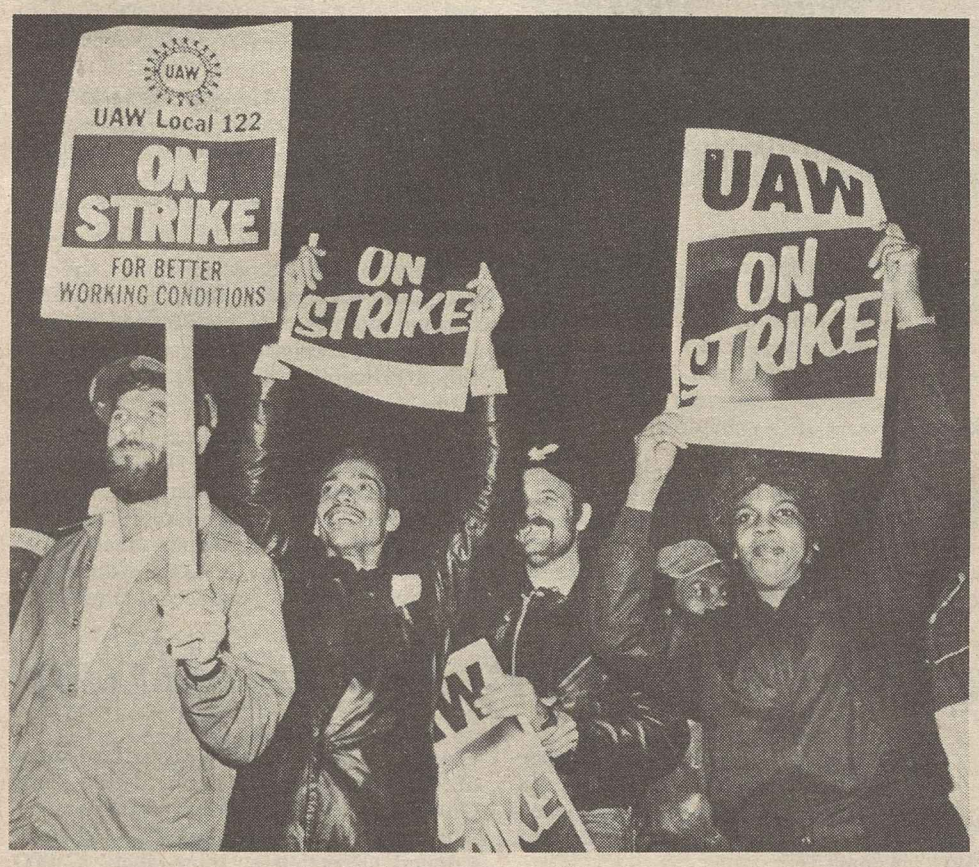
Growers contend they need the program because Americans are not willing to do the work, but examination of the nation's successful lettuce industry, which now employes almost entirely U.S. citizens for harvesting, proves different. After years of fighting, the lettuce workers today are getting a decent wage and the industry is healthy. The only real difference is pay.

H.R. 3080, the Rodino immigration reform bill, is awaiting markup before the House Subcommittee on Immigration. Now is the time to contact your congressman to stop this legalized slavery before it becomes law.

AFL-CIO news

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MEMO FROM COPE
PAGE 8




UAW members walk the line in first Chrysler strike in 12 years.

# Chrysler workers strike to reinstate UAW wage parity

Detroit—More than 70,000 Auto Workers walked out on strike at 50 Chrysler Corp. plants in 15 states after around-the-clock contract talks broke down over the issue of achieving parity with their fellow UAW members at General Motors and Ford.

The UAW said it would continue to push for a quick settlement of the strike, pointing out that company officials had conceded there was a need to address the issues of job security and training opportunities in the new contract.

"We deeply regret that the UAW is forced to strike the Chrysler Corp.," UAW President Owen Bieber said after the negotiations collapsed. "We believe every avenue has been explored, but the gulf separating us on key issues is simply too great for us to bridge at this point."

As union and company negotiators returned to the bargaining table, Bieber said the pace of the talks had "picked up a little." But, he added, some stumbling blocks remained. "There are some tough friction points," he said, because Chrysler has failed to address the parity issue.

The walkout, the first in 12 years at the nation's No. 3 automaker, came at a time when a resurgent Chrysler was reporting third-quarter net earnings of $386 million.

### Workers' contribution

Five years ago, when Chrysler was on the brink of bankruptcy, UAW members made an estimated $1 billion in contract concessions and played a major role in securing $1.2 billion in federally guaranteed loans to help get the financially ailing company back on its feet.

Chrysler lost more than $3 billion from 1979 until its recovery took place two years ago. It earned a record profit of $701 million in 1983 and tripled that—to a new record of $2.3 billion—last year.

With the company well in the black again, the UAW went to the bargaining table this year asking that its members at Chrysler be put on an even footing with those at GM and Ford, where last year's successful contract talks won important gains in the areas of job security and training opportunities as well as economic benefits.

The UAW put particular stress on the need for adequate job security at Chrysler, where more than 60,000 jobs have disappeared in the past decade.

The union said much of the problem stemmed from outsourcing—the increasing use of outside sources to produce auto components, particularly at foreign plants and non-union suppliers—and asked for a company pledge to produce more components in-house if it could be done efficiently.

In last year's negotiations with GM and Ford, the UAW won agreement on setting up job-security "banks," funded at up to $1.3 billion over six years, to provide wages and retraining to displaced workers.

The UAW said that local plant issues were also involved in the negotiations deadlock. Chrysler workers have not renegotiated local contracts in seven years, as part of their effort to help rescue the company from economic collapse, the union pointed out.

# Union role focus of Wheeling-Pitt settlement offer

Pittsburgh—The Steelworkers and Wheeling-Pittsburgh Steel reached tentative agreement on a new contract that will give the union an unprecedented role in the financial reorganization of the import-battered steelmaker.

The proposed settlement—approved by a 13-6 vote of the bargaining committee and now in the process of ratification by USWA members—provides $17 an hour in wages and benefits, $1 an hour for a new supplemental pension plan, and up to $1 an hour in bonuses if steel prices rise.

Agreement on a new contract would end the dispute, now in its 13th week, which led to the lockout of 8,600 USWA members at nine plants in Ohio, West Virginia and Pennsylvania.

The key element was agreement to give the union two seats on Wheeling-Pittsburgh's board of directors, one of them with voting rights.

"What this means," said Paul D. Rusen, the union's chief negotiator, "is that we will

Continued on Page 3

# *Overtime compact ends public sector dispute*

A bipartisan agreement on overtime compensation for employees of state and local governments has defused an attempt in Congress to roll back the Fair Labor Standards Act and nullify a Supreme Court decision that reinstated wage-hour coverage for public employees.

Almost identical bills are being cleared for speedy action by both the House and the Senate.

Both bills incorporate the principles agreed to in discussions involving the AFL-CIO and its public-sector unions on one side and organizations of city, county and state governments on the other side of the table.

### Time and a half

Under the proposed legislation, state and local governments will be able to substitute compensatory time off for the cash payments they complained they couldn't afford. But any "comp time" given instead of cash will have to be at a time-and-one-half rate. Thus, two hours of overtime work will entitle a public employee to three hours of compensatory time off.

The time-and-one-half principle was the key concern of the unions whose members would be directly affected. As AFL-CIO Legislative Director Ray Denison noted in a letter to members of Congress involved in shaping the legislative compromise, it "preserves the integrity of the Fair Labor Standards Act, which is so vital to the interests of employees, while addressing the concerns of public employers."

Both the House and Senate bills would put off overtime coverage for most public workers until Apr. 15, 1986, although any coverage resulting from a collective bargaining agreement would remain in effect. When the new law took effect, any collective bargaining agreement providing less than time-and-one-half compensatory time would be upgraded.

As under present law, most public workers would be entitled to premium compensation for overtime after 40 hours a week. Both bills provide a ceiling on accumulated compensatory time, after which payment must be made in cash. The Senate bill provides a 480-hour cap on comp time. The House version would require cash after a 180-hour accumulation for most workers, and after 480 hours for public safety employees. Neither bill affects the existing wage-hour coverage of private-sector workers or federal and postal employees.

With public employers and unions in basic accord, bipartisan action came quickly.

Continued on Page 3

## Hospital charges soar

# Medicare 'savings' punish elderly

America's elderly will have to pay $92 more for a day of hospital care as of Jan. 1, and substantially more if they need long-term treatment.

That's the ironic and unintended effect of a cost containment law that changed the way the government reimbursed hospitals for treatment of Medicare patients. Instead of paying hospitals for their actual cost of patient care, the government now bases reimbursement on the medical diagnosis of the ailment. Thus hospitals have an incentive to make more money by treatment that reduces hospital stays.

They also, it seems, have an incentive to raise daily costs in order to boost profits. And the result, according to AFL-CIO health care specialist Karen Ignagni, has been that Medicare beneficiaries have been caught "in a classic Catch 22 situation."

The government saves money. The hospitals make money. And the elderly patients are the ones who are about to be hit—and hard, she noted.

Applying the formula set by law, the Dept. of Health & Human Services has announced a 23 percent increase in the patient-paid deductible, starting next Jan. 1.

### First-day charge

All Medicare patients pay for the first day of hospital care, with the charge based on the national average of all hospitals. This year, that first-day charge is $400. That figure will jump to $492 in January if the law is unchanged.

For longer illnesses, the daily co-payment for the 61st through 91st day of hospital care is scheduled to rise from $100 to $123. And applying the same percentage formula, the daily charge for nursing home stays of 21 through 100 days will go up from $50 to $61.50.

The Administration was quick to take credit for bringing Medicare costs under control as a result of the new system of reimbursing hospitals, Ignagni noted. The average length of hospital stay for people over age 65 dropped 7.5 percent last year, a significant cost saving for Medicare.

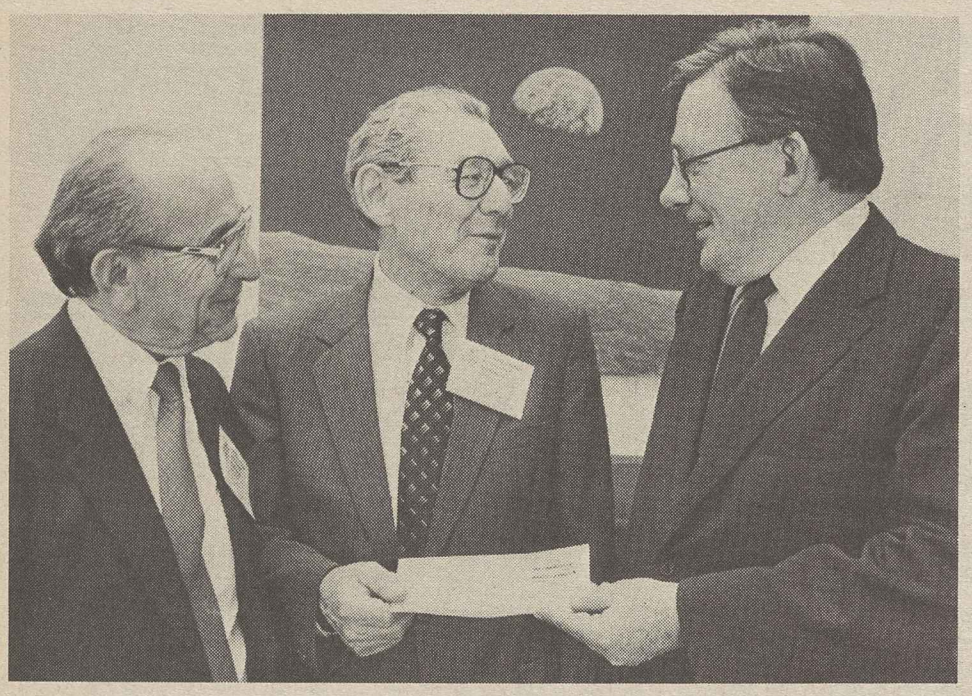
But there was no fanfare, merely a little-noticed announcement, when HHS disclosed recently the forthcoming sharp rise in Medicare deductibles.

The Medicare deductible formula is clearly in need of revision, Ignagni said.

Congressional committees concerned with the aging and Medicare issues are starting to explore the problem and bills have been introduced in both the House and Senate to set a cap on the increase in hospital care deductibles. But it will take some legislative shortcuts for Congress to act in time to block the Jan. 1 rise.

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## Campaign to remember

To perpetuate the memories of the six million Jews who perished in Hitler's death camps, AFL-CIO President Lane Kirkland presents federation's check for $10,000 toward the construction of a holocaust memorial in Washington to Miles Lerman, left, and Sigmund Strochlitz. The two survivors of Nazi genocidal policies are cochairmen of the "Campaign to Remember," which is raising $100 million to build the museum.

# Community rallies aid for jobless Woodworkers

Lewiston, Ida.—Their jobs shot out from under them by competition from abroad and outdated facilities at home, 1,200 Woodworkers are taking part in a multi-pronged effort to find new employment in this recession-ravaged area of northern Idaho.

The IWA members lost their jobs in July when Potlach Corp., Lewiston's largest employer, announced the indefinite shutdown of its lumbering operations under the pressure of mounting imports of Canadian lumber.

To meet the crisis, Gov. John Evans (D) announced formation of a regional task force composed of union, business and educational leaders, working with federal and state agencies, to help workers deal with the disruption in their lives and to help the community come to grips with the economic consequences of the shutdown.

The IWA and Lewis-Clark State College immediately joined forces in establishing a "hot line" to provide dislocated workers with information on services offered by community agencies—food banks, health care and other forms of emergency assistance—to help them cope with the crisis.

Recognizing that the massive layoff would inevitably lead to major career changes for most of the dislocated workers, the union and the college also worked in tandem to inform IWA members of available educational opportunities.

With assistance from the IWA, the college developed profiles on 700 former Potlach workers. The computer base which was created showed that most of the dislocated workers needed to update basic skills to improve their employability.

The college developed a special program—Education and Training for Change—to help plug this skill gap. Special funding was received by the vocational division to bring basic adult education programs to the workers in their home communities.

A nucleus of community agencies joined with the college in seeking a $50,000 grant under the federal Joint Training Partnership Act to provide training in small business management and pre-employment skills. The IWA has applied for Trade Adjustment Assistance funds to augment this effort.

# *1986 contract negotiations will cover 1.3 million*

Contract negotiations will have a new look next year when AFL-CIO unions go to the bargaining table to work out company-by-company contracts instead of industry-wide agreements in basic steel and telecommunications.

For more than half a million members of the Communications Workers and Electrical Workers, 1986 will mark the first time since the court-ordered divestiture of the Bell System that they will be bargaining separately with American Telephone & Telegraph, with the seven Bell regional operating companies, and perhaps with individual companies within the regions.

In basic steel, the Steelworkers will be bargaining with individual companies for the first time in 30 years. The last vestiges of the industry's united front collapsed earlier this year when the coordinated bargaining committee, its ranks thinned to only five steel producers, voted to disband.

The contracts for more than 1.3 million members of AFL-CIO unions will dominate the 1986 collective bargaining calendar in such widely divergent industries as aerospace, petroleum, containers, aluminum, glass, agricultural machinery, longshore, airlines, utilities, construction and service trades.

### Merger impact

The Oil, Chemical & Atomic Workers, for example, could be in a stronger-than-usual position as it negotiates with the major oil producers for contracts covering some 50,000 workers if the proposed merger with the Paperworkers, already ratified by the OCAW membership, is approved. Merger would triple the union's size.

And the Machinists will open contract talks with the major aerospace companies with the knowledge that recent agreements in the industry have moved toward eliminating, or sharply modifying, wage concessions they were forced to make three years ago in the depths of the Reagan recession.

Compiled by the Bureau of National Affairs, the following is a list of major bargaining in 1986 involving federation affiliates and the month of contract expirations:

**Aerospace**—IAM, covering about 30,000 members at several Boeing Co. plants in October; 15,000 IAM members at Lockheed Corp. in Burbank, Calif., and Marietta, Ga., October; 3,500 IAM members at McDonnell Douglas Corp. in California, October.

**Agricultural Machinery**—Some 21,000 Auto Workers at Caterpillar Tractor Co. in Peoria, Ill., June; 26,000 UAW members at several John Deere & Co. plants, June.

**Airlines**—Nearly 2,500 IAM members at Republic Airlines, September; 6,500 Air Line Employees at Republic, December; 9,000 Flight Attendants at United Airlines, May, and 15,000 IAM members at United, October.

**Communications**—More than 24,000 CWA members at American Telephone & Telegraph's Long Lines Division, August; CWA's Bell Telephone operating company contracts expiring in August cover 32,000 members at Chesapeake & Potomac, 3,400 at Cincinnati Bell, 13,500 at Michigan Bell, 29,000 at Mountain States Telephone & Telegraph, 8,000 at New Jersey Bell, 31,000 at New York Telephone, 18,000 at Northwestern Bell, 27,000 at Ohio Bell, 64,000 at Pacific Telephone & Telegraph, 56,000 at Southern Bell, 70,000 at Southwestern Bell and 6,000 at Wisconsin Telephone; IBEW agreements covering 4,000 at Bell of Pennsylvania, 13,000 at Illinois Bell, 18,500 at New England Telephone & Telegraph, 12,500 at New Jersey Bell and 2,000 at Pacific Telephone & Telegraph, August; 21,000 CWA members at General Telephone Co. of California, March; 6,500 Musicians covered by the Phonograph Record Labor Agreement, November.

**Construction**—118,000 Carpenters, 15,000 Laborers and 4,000 Plasterers at Associated General Contractors in California, June; 7,000 Carpenters at AGC in St. Louis, April; 6,000 Laborers at AGC in New Jersey, February; 8,000 Operating Engineers at Constructors Association of Western Pennsylvania, December.

**Electrical Machinery**—Nearly 6,000 IBEW members at AT&T Techonologies, Inc. in Reading, Pa., August; 2,500 IBEW members at several RCA Service Co. installations, November; 3,300 Allied Industrial Workers at Whirlpool Corp. in Fort Smith, Ark., September.

**Fabricated Metals**—Nearly 7,500 Aluminum Workers and 7,600 USWA members at several Aluminum Co. of America plants, May; 4,000 USWA members at a number of plants of American Can Co., February; more than 8,000 USWA members at nationwide Continental Can Co. operations, February; 3,000 USWA members at National Can Co. plants, February; 5,600 Aluminum Workers and 7,000 Steelworkers at Reynolds Metals Co. plants, May.

**Food**—Some 3,000 Bakery, Confectionery & Tobacco members at Hershey Chocolate Co. in Hershey, Pa., November; 4,500 Auto Workers at Pabst Brewing Co. in Milwaukee, June; nearly 11,000 BCT members at Philip Morris in Louisville, Ky., and Richmond, Va., January.

**Lumber**—Some 22,000 Woodworkers covered by the agreement with Western States Wood Products Employers Association, May.

**Machinery**—About 9,000 AIW members at Briggs & Stratton Corp. in Milwaukee, July; 8,000 USWA members at Timken Co. in Ohio, August.

**Maritime**—More than 50,000 Longshoremen covered by the pact with Atlantic and Gulf Coast shipping associations, September; 4,300 ILA members at New Orleans Steamship Association, September; 5,000 ILA members employed by members of the West Gulf Maritime Association, September.

**Meat Packing**—1,600 Food & Commercial Workers at George A. Hormel & Co. plants in September; 1,600 UFCW members at Oscar Mayer Food Corp. in Madison, Wis., August.

**Paper**—Some 6,000 IBEW and Paperworkers members at plants of International Paper Co., May; 1,000 UPIU members at James River Corp. in Kalamazoo, Mich., July; 2,500 UPIC at Scott Paper Co. in Alabama, June.

**Petroleum**—OCAW contracts covering some 50,000 workers at major oil companies expire in January, including 1,400 at Amoco Oil Co.in Texas City, Tex., 2,300 at several facilities of Atlantic Richfield Co., 1,900 at Gulf Oil Co. in Port Arthur, Tex., 1,500 at Mobil Oil Corp. in Beaumont, Tex., and 1,800 at Shell Oil Co. in Houston.

**Primary Metals**—Nearly 30,000 USWA members at plants of Bethlehem Steel Corp., 16,500 at Inland Steel Co. in East Chicago, Ind., 30,000 at plants of LTV Corp., and 48,000 at United States Steel Corp. plants, all in August.

**Services**—16,000 Service Employees at Associated Guard & Patrol Agencies, Inc. in Chicago, December; 52,000 Retail, Wholesale & Department Store members at the League of Voluntary Hospitals & Homes in New York, June; 4,000 SEIU members, also employed by the League, November; 20,000 SEIU members at New York Realty Advisory Board Inc., December; 6,000 Hotel Employees & Restaurant Employees covered by a pact with the San Francisco Employers Association, August; 6,000 SEIU members at the Service Employers Assn. in New York, December.

**Shipbuilding**—More than 30,000 members of Metal Trades Council employed by Pacific Coast Shipbuilders, June; 4,000 Marine & Shipbuilding Workers at Todd Pacific Shipyards Corp. in San Pedro, Calif., July.

**Stone-Clay-Glass**—Some 3,000 Glass & Pottery Workers at plants of Anchor Hocking Corp., March; 3,000 Flint Glass Workers at Anchor Hocking, September; 7,000 Glass & Pottery Workers at various plants of Brockway, Inc., March; 2,000 Flint Glass Workers covered by the agreement with the Glass Container Industrial Relations Council, September; more than 12,000 Glass & Pottery workers at a number of Owens-Illinois, Inc., plants, March.

**Textiles**—More than 2,000 Clothing & Textile Workers at a number of Avtex Fibers, Inc., plants, August; 4,000 ACTWU members at Celanese Fibers Co. division of Celanese Corp. in Cumberland, Md., Rock Hill, S.C., and Narrows, Va., June.

**Transit**—Some 14,000 Transit Union workers covered by the national agreement with Greyhound Lines, Inc., October; 5,000 Transport Workers at Southeastern Pennsylvania Transportation Authority, Philadelphia, March.

**Transportation Equipment**—More than 2,000 USWA members at plants of Dana Corp., November; 9,000 UAW members at Dana, December; 3,500 UAW members at the Rouge Steel division of Ford Motor Co. in Dearborn, Mich., July; 5,000 UAW members at Volkswagen of America, Inc., in New Stanton, Pa. and South Charleston, W.Va., March.

**Utilities**—Nearly 16,000 Utility Workers and 600 IBEW members at Consolidated Edison Co., New York, June; 5,000 UWU members at Consumers Power Co. in Jackson, Mich., September; 8,000 IBEW members at Niagara Mohawk Power Corp. in New York, May; 6,000 IBEW members and 2,200 UWU members at Southern California Edison Co. in Rosemead, Calif., December; 7,000 OCAW and UWU members at Southern California Gas Co., March.

**Wholesale & Retail**—More than 18,000 UFCW members covered by agreement with Food Employers Council, Inc., of California, February; 18,000 UFCW members at Jewel Food Stores in Chicago, October; 5,000 UFCW members at Safeway Stores, Inc. in Washington, D.C., September; 7,000 UFCW members at Santa Clara County Food Stores in California, February; 5,500 UFCW members at Woodward & Lothrop, Inc. in Washington, D.C., February.

# Tightfisted stance

**Although they expect to be in the black this year, most bosses are planning a tightfisted approach to collective bargaining in 1986, according to a study by the Bureau of National Affairs.**

**Their goal will be pay increases averaging no more than 2 to 4 percent, a two-tier wage system, and a concerted drive against cost-of-living adjustments, the BNA survey showed.**

**Despite the continued efforts of unions to win job security provisions in their contracts, management is noticeably cool to such plans, and 80 percent of those responding indicated they would negotiate for the relaxation of "restrictive" work rules.**

**BNA mailed its questionnaire to 500 employers and received replies from 230. Responses from the manufacturing sector outnumbered those in nonmanufacturing by nearly three to one.**

# Wheeling-Pitt settlement bid gains support

**Continued from Page 1**

be active participants in the reorganization of this company,'' which filed for Chapter 11 bankruptcy to stave off creditors' suits while it tried to work out a new financing and operating plan.

''We will have a major voice in how the reorganization takes place and what the new (company) will look like,'' Rusen said. ''No other labor union has ever been able to do this.''

The new contract must be approved by the bankruptcy court which has presided over Wheeling-Pittsburgh's reorganization since April. It must also pass muster with the company's 11 creditor banks which hold $397 million of the steelmaker's $514 million debt.

The USWA agreed to the pension relief program, a union spokesman said, after the company moved in bankruptcy court to terminate the existing decades-old retirement plan under a threat by the banks to liquidate the firm.

Initial reports indicated that the banking consortium, led by Manufacturers Hanover Trust Co., was still not satisfied with the settlement, and might continue to pursue legal steps to challenge the reorganization plan and force liquidation.

## Survival pact

The USWA and Wheeling-Pittsburgh remained optimistic, however, with both sides describing the contract as the last chance to save the company from being put out of business.

''This agreement represents the very best the negotiating committee could achieve, and the very best the company could offer,'' Rusen said.

''Approval by the membership will mean we have saved our jobs, we have saved our home town and, as we have promised, we have saved the company,'' the USWA official added.

If Wheeling-Pittsburgh can stave off the banks' efforts to force it out of business, observers said, the company could emerge from Chapter 11 bankruptcy by late 1987. Once reorganization is accomplished, the USWA contract would be subject to renegotiation.



# Plant closing alert

At Capitol Hill briefing, Machinists President William W. Winpisinger talks to congressional staffers and House members of the need for legislation requiring advance notification of plant closings and major layoffs. The briefing was sponsored by the AFL-CIO and other groups supporting advance notice requirements as an opportunity to explore alternatives to plant closings and minimize hardships to workers and communities.

# *Labor unity theme sounded at Massachusetts convention*

Boston—With the theme of ''solidarity now more than ever'' as its rallying cry, the Massachusetts AFL-CIO reaffirmed its support for a united labor front to meet challenges in the political, social and economic arenas.

More than 600 delegates to the biennial convention put their stamp of approval on a resolution recommitting the state's 267 local unions and their more than 168,000 members to labor unity in the face of a ''frontal attack'' from the Reagan Administration at home and the ''sabotage'' of cutthroat competition from abroad.

A major demonstration—featuring top officials from the Electronic Workers, Auto Workers, Steelworkers, Ladies' Garment Workers and the Clothing & Textile Workers—driven indoors by a heavy rainstorm, focused on the debilitating effects of imports on ''bedrock'' American industries.

Waving a sea of American flags, delegates chanted ''Ronald Reagan, what do you say? Keep our jobs in the USA!'' They then proceeded to issue a call for a national effort to stem the rising tide of imports which has swept away 2.3 million factory jobs since 1979.

The resolution assailed the Administration's ''misguided trade policies,'' the over valued dollar, the skyrocketing federal deficit and tax breaks for runaway American firms which relocate in cheap-labor countries abroad—all of which, the convention said, have undercut America's economic base.

AFL-CIO Sec.-Treas. Thomas R. Donahue applauded the convention's stand on the foreign trade issue, and pointed to a series of recent public opinion polls showing that the American people are ''fed up with foreign trade practices that are . . . stripping (the country) of jobs and industrial strength.''

Not only is competition from abroad undercutting such old-time Massachusetts industries as shoes, textile and apparel, he said, it also puts in peril such ''new-look, futuristic industries'' as the state's telecommunications equipment manufacturing operations.

## Jobs shortfall

''We simply must stop the hemorrhage of U.S. jobs if we are to get back on the track toward a nation of full employment,'' Donahue said, warning that America faces a shortfall of 7.5 to 8 million jobs in the next five years.

Delegates cheered Boston's Cardinal Bernard Law, who defended the trade union movement and sharply criticized the news media for the way in which it ''mistreats'' organized labor.

''The media reports the strikes but not the peaceful settlements,'' the Roman Catholic prelate said; ''it reports the occasional violence but overlooks the good things that unions do every day.''

In a series of resolutions, the convention:

- Opposed efforts by General Dynamics to close the Fore River shipyard in Quincy, declaring that a concerted drive to build ships in America would save the jobs of 4,000 workers.
- Supported the state's prevailing-wage law, warning that efforts to ''gut'' this protection are being led by forces that would ''benefit from lower wages.''
- Pledged itself to fight off attempts to modify or repeal the Davis-Bacon Act.
- Opposed Reagan Administration proposals to tax workers' fringe benefits.

# Union movement plays vital role in Central America

Central America's labor movement is engaged in a ''life-or-death struggle'' to preserve human rights and democratic principles, a group of nine U.S. trade unionists concluded after a two-week fact-finding mission to the region.

The trip, sponsored by the AFL-CIO, took the unionists to Costa Rica, Nicaragua, Honduras, El Salvador and Guatamala.

The hope for peace in that troubled region of the Americas, said President Daniel McVey of the Missouri AFL-CIO, ''depends on the willingness of the Sandinista government to allow the goals of the 1979 revolution to become a reality.''

Unless Nicaragua turns to ''democratic and plurastic rule,'' McVey said, ''the other countries of Central America will continue to be menaced by their brand of Marxist Leninism.''

Kenneth Gordon Flory, secretary-treasurer of the Louisiana AFL-CIO, praised the role of the Salvadoran trade union movement in developing democracy in that country.

Free trade unions are ''vital to the development of democracy in Central America,'' Tim Twomey, executive secretary-treasurer of Service Employees Local 250, said.

Other members of the delegation included Patsy Fryman and Henley Johns of the Communications Workers; Scott Courtney of the Nevada AFL-CIO; Oscar Sanchez of the Steelworkers; Dan Gustafson, president of the Minnesota AFL-CIO, and Ken Richardson of the Railway & Airline Clerks.

# Richard Schone dies, field representative

Salt Lake City—Richard H. Schone, an AFL-CIO field representative since 1978, died of cancer Oct. 11. He was 42 years old.

When he joined the federation staff, Schone was president of the Utah Building Trades Council. He had previously served as financial secretary, business agent and business manager of Laborers Local 295.

Federation President Lane Kirkland and Sec.-Treas. Thomas R. Donahue, in a telegram to his wife Susan, praised Schone as ''a distinct asset in advancing the cause of working men and women.''

# Rollcall on 'balanced budget'

*The Senate on Oct. 9 voted 75-24 for a ''balanced budget'' proposal that would give President Reagan unprecedented power to cut government programs to bring the federal budget into balance. Labor opposed the plan as a reckless abdication of congressional responsibility.*

## FOR LABOR'S POSITION

**Democrats 20**

| | | | |
|---|---|---|---|
| Bingaman (N.M.) | Eagleton (Mo.) | Inouye (Hawaii) | Mitchell (Me.) |
| Bradley (N.J.) | Exon (Neb.) | Johnston (La.) | Moynihan (N.Y.) |
| Byrd (W.Va.) | Glenn (Ohio) | Lautenberg (N.J.) | Pell (R.I.) |
| Chiles (Fla.) | Harkin (Iowa) | Matsunaga (Hawaii) | Riegle (Mich.) |
| Cranston (Calif.) | Hart (Colo.) | Metzenbaum (Ohio) | Sarbanes (Md.) |

**Republicans 4**

| | | | |
|---|---|---|---|
| Hatfield (Ore.) | Kassebaum (Kan.) | Stafford (Vt.) | Weicker (Conn.) |

## AGAINST LABOR'S POSITION

**Democrats 27**

| | | | |
|---|---|---|---|
| Baucus (Mont.) | Dixon (Ill.) | Kerry (Mass.) | Pryor (Ark.) |
| Bentsen (Tex.) | Dodd (Conn.) | Leahy (Vt.) | Rockefeller (W.Va.) |
| Biden (Del.) | Ford (Ky.) | Levin (Mich.) | Sasser (Tenn.) |
| Boren (Okla.) | Gore (Tenn.) | Long (La.) | Simon (Ill.) |
| Bumpers (Ark.) | Heflin (Ala.) | Melcher (Mont.) | Stennis (Miss.) |
| Burdick (N.D.) | Hollings (S.C.) | Nunn (Ga.) | Zorinsky (Neb.) |
| DeConcini (Ariz.) | Kennedy (Mass.) | Proxmire (Wis.) | |

**Republicans 48**

| | | | |
|---|---|---|---|
| Abdnor (S.D.) | Durenberger (Minn.) | Helms (N.C.) | Quayle (Ind.) |
| Andrews (N.D.) | East (N.C.) | Humphrey (N.H.) | Roth (Del.) |
| Armstrong (Colo.) | Evans (Wash.) | Kasten (Wis.) | Rudman (N.H.) |
| Boschwitz (Minn.) | Garn (Utah) | Laxalt (Nev.) | Simpson (Wyo.) |
| Chafee (R.I.) | Goldwater (Ariz.) | Lugar (Ind.) | Specter (Pa.) |
| Cochran (Miss.) | Gorton (Wash.) | Mattingly (Ga.) | Stevens (Alaska) |
| Cohen (Me.) | Gramm (Tex.) | McClure (Ida.) | Symms (Ida.) |
| D'Amato (N.Y.) | Grassley (Iowa) | McConnell (Ky.) | Thurmond (S.C.) |
| Danforth (Mo.) | Hatch (Utah) | Murkowski (Alaska) | Trible (Va.) |
| Denton (Ala.) | Hawkins (Fla.) | Nickles (Okla.) | Wallop (Wyo.) |
| Dole (Kan.) | Hecht (Nev.) | Packwood (Ore.) | Warner (Va.) |
| Domenici (N.M.) | Heinz (Pa.) | Pressler (S.D.) | Wilson (Calif.) |

*—Absent: Mathias (R-Md.)*

# Compact solves public sector dispute

**Continued from Page 1**

Senate Labor Subcommittee Chairman Don Nickles (R-Okla.) had initially sponsored a bill to remove public employees from the overtime provisions of the wage-hour law. But he joined Sen. Howard M. Metzenbaum (D-Ohio) in sponsoring the new legislation and getting immediate approval of the full Labor & Human Resources Committee in a telephone poll.

In the House Labor Standards Subcommittee, where Chairman Austin J. Murphy (D-Pa.) had presided at hearings that explored the issues, every member of the subcommittee joined in sponsoring the new bill. The full committee plans to bring the bill to the House floor before the end of the month.

Congress brought public workers under the wage-hour law in 1974, but the Supreme Court first held in a 5-4 decision that the extension of coverage to persons employed in ''traditional government functions'' was an unconstitutional infringement on states' rights.

Early this year, however, the Supreme Court reversed itself and reinstated the 1974 law, also by a 5-4 margin. Mayors and governors then launched a major lobbying effort to get Congress to rescind the wage-hour coverage.

# House approves labor-backed study on pay equity

The House approved a labor-supported, Administration-opposed bill to initiate a pay equity study of the federal workforce in order to determine whether the government's job classification system discriminates against women and minorities.

The 259-162 vote for the bill reflected an Administration decision to make a partisan issue of a measure especially important to women's groups and strongly supported by the labor and civil rights coalition.

Last year, a similar bill passed by an overwhelming 413-6 margin. But that vote reflected the Administration's political embarrassment from public exposure of a "dirty tricks" memo in the Office of Personnel Management proposing tactics to split unions and "feminist groups." The House-passed bill was then bottled up by the Republican-controlled Senate until Congress adjourned. An attempt to resurrect it as an amendment to an unrelated government funding measure was rejected, 57-41.

This time around, 222 House Democrats and 37 Republicans voted for passage, while 139 Republicans and 22 Democrats were opposed.

Rep. Mary Rose Oakar (D-Ohio), the bill's principal sponsor, fought off an amendment by Rep. Joe L. Barton (R-Tex.) that would have deleted a provision barring the study panel from proposing to lower the pay of any worker to achieve pay equity.

## Divisive tactics

Its passage would have furthered the divide-and-conquer tactics that opponents have sought to promote. The House defeated the Barton amendment, 276-148, and rejected other weakening changes by similar margins.

The House-passed bill would establish an 11-member commission to oversee and 18-month study of the federal pay and classification system, covering both hiring and promotion practices. The commission would include members representing Congress, the Administration, federal employee unions, women's groups and civil rights organizations.

Although the study clearly would be restricted to the federal civil service, business groups lobbied for its defeat, arguing that it sought to upset the concept of the market place as the determining factor in judging the value of jobs.

A National Association of Manufacturers official gloated after the House vote that the margin of passage was less than the two-thirds that would be needed to override a presidential veto.

In a letter to House members, AFL-CIO Legislative Director Ray Denison stressed that pay equity is a "fairness" issue that is controversial only "to those who profit from wage discrimination."

He said the objections raised against it "are the arguments which were made during the debates on equal pay, minimum wage and child labor laws."

When the House first took up the bill this year, on the eve of the August recess of Congress, opponents used the threat of bringing up hundreds of amendments to get the legislation temporarily sidetracked.

In the resumed debate, they raised the specter of costly lawsuits against the government if the study should show the existence of pay inequities. And they portrayed the measure as an entering wedge for what they construed as "pay comparability," involving the matching of unlike jobs.

## Outdated system

Oakar and other supporters of the measure noted that nearly all states are conducting or have conducted similar pay equity studies. They stressed that the private sector is not involved, and noted that the federal government's salary classifications system already ranks unlike jobs in pay classifications. But the classification system dates from 1923, when women and minorities made up only 5 percent of the federal workforce, they noted.

A Senate Governmental Affairs subcommittee has held hearings on a similar measure cosponsored by Senators Alan Cranston (D-Calif.) and Daniel J. Evans (R-Wash.), but has not yet acted on the legislation.



A $25,000 check for AFL-CIO's Mexican relief drive is presented to Sec.-Treas. Donahue by ILGWU President Chaikin and Sec.-Treas. Jay Mazur, left.

# Donations boost relief fund for Mexico's quake victims

In its first two weeks, the AFL-CIO's Mexican Earthquake Relief Fund raised more than $64,000 to aid victims of the two major earthquakes that struck Mexico.

The AFL-CIO Executive Council's initial donation of $25,000 was boosted by a matching contribution from the Ladies' Garment Workers. ILGWU President Sol C. Chaikin said, "Our hearts go out to our brothers and sisters in Mexico. Continuing the long ILGWU tradition of coming to the aid of those who are in distress anywhere in the world, we present this check for $25,000 in the hope that it will alleviate in some small measure the suffering of Mexico's earthquake victims."

Thus far, donors include 10 international or national unions, two state federations, five local central bodies and many individuals, according to the AFL-CIO Dept. of Community Services.

Nearly a month after the tragedy, the Mexicans are still digging out from under the rubble. More than a million workers remain unemployed because of the quakes.

AFL-CIO President Lane Kirkland stressed that while short-term human needs have been met, the long-term rehabilitation programs are matters of great concern.

Those wishing to donate to the fund should send their contributions marked for the Mexican Earthquake Relief Fund to AFL-CIO Sec.-Treas. Thomas R. Donahue.

# Painters challenge OSHA on toxic hazards standard

The effectiveness of government standards in protecting workers against poisonous chemicals used in the workplace was questioned by the Painters at a House subcommittee hearing.

Rodney D. Wolford, director of the Painters' safety and health department, testified that hazard communication regarding toxic materials "must be a right for all workers—not just those in manufacturing."

The standard set by the Occupational Safety & Health Administration limits coverage to workers in certain industrial classifications developed by the Bureau of Labor Standards. Wolford stressed that workplace hazards are not limited to "artificial classifications" that do not reflect "when and where hazardous substances will be found and to what degree."

Testifying before the House Science & Technology Subcommittee on Investigations & Oversight, Wolford pointed out that the more than 450,000 painters in the U.S. workforce are exposed to paints that contain 150 known or suspected carcinogens and a greater number of other toxins that are capable of killing or maiming workers.

## Overexposure symptoms

Citing a 1975 study of painters, Wolford noted that 74 percent were found to have experienced neurotoxic symptoms, such as nausea, dizziness or fatigue. Workers often are led to believe that the signs and symptoms of overexposure are a natural part of being a painter, he said.

Wolford told the subcommittee that an unpublished study by the union had found a "statistically significant relationship" between worker-reported neurotoxic symptoms and the gallons of paint applied per year.

He suggested that chemical exposures for a wide variety of workers can be significantly reduced "just by accepting that neurotoxins may cause 'temporary or permanent impairment or harm' and pose 'significant risk' which must be controlled by assuring no worker is exposed" in doses or for periods that cause symptoms to be manifested.

In noting the shortcomings of the federal hazard communication standard, Wolford said it fails to require any evaluation of labeling effectiveness. While labels may warn users to avoid prolonged contact or not to breathe the vapors, they do not say that acute neurotoxic effects such as headaches and dizziness are serious symptoms of overexposure.

Without evaluation of labeling, he said, all that is accomplished with certainty by OSHA's hazard communication standard is the reduction of liability for manufacturers.

Wolford suggested that the standard include an evaluation of label and training effectiveness and that manufacturers share the hazard training responsibilities and costs.

Further, he urged that both manufacturers and employers be subject to strict legal liability for failure to warn and train effectively, and scored a proposed Senate bill that would reduce manufacturer liability.

# Clothing Workers approve new pact covering 56,000

The Clothing & Textile Workers overwhelmingly ratified a new two-year agreement with the Clothing Manufacturers Association covering some 56,000 workers.

The association contract provides two lump-sum payments. Workers on the payroll as of Sept. 15, 1985, will get $500 this Dec. 15, while those on the payroll as of Oct. 1, 1985, will receive $600 the following Dec. 15. Prorated payments will be made to those hired between now and December 1986.

The new agreement also improves vacations, boosts surgical coverage by 36 percent, adds Martin Luther King's birthday as an 11th holiday, raises sickness and accident benefits to a $115 maximum, increases life insurance coverage to $4,000 and monthly pension benefits to $6 per year of service in 1986 and to $6.25 a year later.

The package follows closely the industry pattern set last month in an agreement covering 23,000 cotton garment workers. That agreement is for three years and includes a 25-cent-per-hour raise the third year.

The contract provides for the establishment of a tripartite commission to study the structural changes and competition in production and marketing of men's and boys' tailored clothing. The commission will include representatives of the union, the employers and "people of standing in the community."

The old contract expired May 31, 1985, but was extended four months until a new contract was ratified in early October.

# 17 unions link benefits to Conrail sale

Seventeen railroad unions have signed an agreement that would guarantee a $400-million package of employee cash and stock benefits if Conrail is sold to a group of investors represented by the Morgan Stanley investment company.

Last July, the unions tentatively endorsed Morgan Stanley's public stock offering plan to buy Conrail contingent on negotiation of a definitive agreement on employee stock holdings and deferred wages.

Under the terms of the agreement signed with Conrail and Morgan Stanley, employees would receive $200 million in cash payments for wage deferrals between Apr. 1, 1981, and June 30, 1984, when industry parity wage levels were restored. Employees would be offered $48 a share, or an estimated $190 million total, for their 15 percent ownership of Conrail under the Employee Stock Ownership Plan established in 1981.

Employees also would be given the opportunity to purchase up to $100 million in additional Conrail stock at the same $48 per share price Morgan Stanley would pay the federal government for its 85 percent ownership of shares.

In addition, the agreement provides for a labor protection program that would include supplemental unemployment benefits and health and welfare coverage, two seats on Conrail's board of directors for labor-appointed members, and labor support for the Morgan Stanley bid for Conrail.

## Chief goal

Ole M. Berge, president of the Maintenance of Way Employees and chairman of the Railway Labor Executives Association, said RLEA's goal from the outset has been to "maintain Conrail as an independent, viable railroad" and to "seek justice for the employees" through a public sale of Conrail.

Berge said that while the RLEA still considers its original public sale proposal to the Dept. of Transportation to be the best offered, "we believe the Morgan Stanley plan and the new definitive agreement will achieve RLEA's objectives." The agreement will benefit shippers and the public, as well as Conrail employees, he said.

Joining in the agreement were 16 member unions of RLEA and the unaffiliated Teamsters. The United Transportation Union and its new affiliate, the Yardmasters, did not sign the accord, although they have expressed support for a public stock offering approach similar to Morgan Stanley's plan.

The Transportation Dept. has selected the Norfolk Southern Corp. as its preferred buyer. Both Norfolk Southern, which would merge Conrail into its current freight system, and Morgan Stanley, which would maintain Conrail as an independent carrier, have offered about $1.2 billion for the freight carrier.

Congress has the final word on whether to sell Conrail and to whom or to maintain it as a federally operated carrier. Congress created the Consolidated Rail Corp. in 1976 to salvage freight service in the Northeast after the collapse of the Penn Central and other bankrupt railroads.

## Capitol Hill antics

# House stumbles over balanced budget ploy

A House-Senate conference will try to agree on a procedure to achieve a balanced budget within six years.

That is what a hastily adopted Senate amendment to a bill raising the national debt limit purports to do. And the House, with even less consideration, instructed its conferees to bring back a measure that would achieve the same goal.

The Senate passed its version of a balanced budget requirement by a surprisingly large 75-24 margin, even though no one seemed very sure just how such a law would work **(Rollcall, Page 3).**

Sen. Bill Bradley (D-N.J.), who strongly opposed the measure, sought the next day to find out how firmly committed the Senate was to a balanced budget. To dramatize what he termed the "irrationality" of the measure, Bradley proposed amendments designed to slash the military budget and raise the federal gasoline tax—by amounts that he said would be needed to comply with the first-year timetable for reaching the balanced budget goal. Both were overwhelmingly rejected.

In the House, Democratic leaders fumed at the Republican-launched bandwagon to steamroller the measure through Congress but decided that appearing to oppose the concept of a balanced budget would give GOP candidates too easy a target in the next election.

House Ways & Means Committee Chairman Dan Rostenkowski (D-Ill.), who will lead the large contingent of House conferees, spoke scornfully of the "political games" that were being played. But "the game has begun and we are going to have to play, however reluctantly."

### Setting goals

In the end, the House voted 354-15 to instruct its conferees to bring back legislation "which provides mechanisms for deficit reductions, including specific and mandatory budget goals for achieving a balanced budget within the next six years."

During the brief debate, various House members took the floor to explain their own, often varying, interpretation of the instructions to the conferees. The thrust was that balancing the budget was a worthy objective and a bipartisan effort should be made to find a way to achieve it. Some even stressed the need to consider increasing tax revenues as well as slashing already reduced federal programs.

In recognition of the fact that the House conferees will in effect be trying to shape new legislation instead of merely negotiating on differences between House and Senate versions, the size of the delegation was made unusually large.

It includes 14 members of the Ways & Means Committee, seven from the Rules Committee, six each from the Appropriations, Government Operations and Budget Committees and nine others named by Democratic and Republican leaders.

One byproduct of the conference will be to further delay the Ways & Means Committee's slow-paced markup of a tax bill, since most of the committee members will be participating in the balanced budget conference.

## Stopped up

**If the Senate Appropriations Committee has its way, the Labor Dept. won't be able to spend any money for new toilets or sinks in its offices until the Occupational Safety & Health Administration establishes field sanitation standards for farm workers.**

**The restriction was proposed by Sen. William Proxmire (D-Wis.) and approved by the committee as part of the appropriations bill for the Labor Dept. It was a response to Labor Sec. William E. Brock's decision to postpone any federal requirement for agricultural employers to provide water and toilet facilities for field workers. Brock said he hoped states would set their own standards.**

**An attempt to delete the Proxmire amendment is likely when the appropriations bill comes to the Senate floor. The House on Oct. 6 narrowly rejected an amendment to the farm bill that would have required field sanitation facilities in farms that get federal aid. (Rollcall, Page 6.)**



## Farmer-labor alliance

Officials of three family farm organizations meet with union lobbyists at AFL-CIO headquarters on farm bill issues before Congress. At head of table, from left: AFL-CIO Associate Legislative Director Robert McGlotten and Director Ray Denison; Robert Denman, National Farmers Union legislative representative; Chuck Frazier, National Farmers Organization legislative director; David Senter (speaking), legislative director, and Wayne Meyers, California state president, of the American Agricultural Movement.

# *Maryland convention votes endorsement for governor*

Baltimore—Maryland's trade union movement will take an early and active role in supporting the gubernatorial candidacy of Stephen H. Sachs in the Democratic primary next spring.

Sachs, who is Maryland's attorney general, received 91 percent of the votes cast by delegates to the biennial convention of the Maryland State & District of Columbia AFL-CIO. The convention heard all three principal candidates for the gubernatorial nomination before voting on the endorsement.

The federation did not vote on an endorsement for the U.S. Senate seat that will be at stake next year. Incumbent Republican Charles McC. Mathias, Jr., who has had COPE endorsement, announced shortly before the convention that he will not seek reelection. Both Mathias and Rep. Parren J. Mitchell (D-Md.), who is also retiring from Congress, received standing ovations when they addressed the convention.

### Anti-worker campaign

Federation President Edward R. Lamon told the delegates that business attacks on labor at the national level are being paralleled by a Chamber of Commerce campaign to destroy state and local laws protecting workers.

Employer-sponsored legislation "would cut benefits to unemployed workers and disqualify people from receiving benefits," he reported. In workers' compensation, Lamon said, the Chamber has sought to delay payments to injured workers and has fought against giving workers access to information about hazardous chemicals in the workplace.

But in both Maryland and D.C., he said, attacks on labor have served to unify the trade union movement. Anti-union bills that have been beaten, Lamon said, include attempts to repeal prevailing wage laws and establish a subminimum youth wage.

"These fights are not over," he warned. "They will all come back."

AFL-CIO Sec.-Treas. Thomas R. Donahue told the delegates that the shrinkage of unemployment insurance under the Reagan Administration, while joblessness remains at recession levels, is "a national scandal."

Unless action is taken to reverse the destruction of American industry and jobs, Donahue warned, the full employment goal will becomes so distant as to be out of sight.

A convention resolution expressed support for measures to hold down health care costs so as to make quality medical services affordable without exploiting health care workers.

Lamon, who was named president after the death of Thomas M. Bradley two years ago, was unanimously elected to a full four-year term. He is a member of the Electrical Workers and had been the state COPE director.

Re-elected without opposition were Vice Presidents Henry Koellein, Jr., and Joslyn Williams, and Sec.-Treas. Edward A. Mohler.

# Delaware federation looks to 1986 election campaign

Dover, Del.—The Delaware AFL-CIO convention raised the state federation's per capita tax by 5 cents, earmarking 2 cents more for COPE to bolster labor's role in the 1986 election campaign.

The convention action sets monthly payments at 50 cents, effective next Jan. 1, with a nickel going to COPE, 2 cents to the educational fund and 43 cents to the general fund.

Delegates to the one-day convention expressed concern about America's mounting foreign trade deficit and called for federal action to reduce apparel imports to 25 percent of the U.S. apparel market. Such action would help restore more than 300,000 jobs that have been lost in this industry, the delegates noted.

### Tax scheme

The Reagan Administration's scheme to tax workers on employer-provided benefits was scored as a move to boost the tax burden on the low- and middle-income workers.

In other action, the delegates gave unanimous support to unaffiliated Teamsters Local 326 in its strike against Rollins Cablevision for a new contract.

Seven newly elected executive board members will join 19 incumbents who were re-elected to two-year terms. The seven new members are Ralph Walsh of the Painters, Dominic DiStefano, Bricklayers; Edward Redmond, Food & Commercial Workers; Tom Archie and Larry Conway, Laborers; Raymond Ryan, Asbestos Workers, and Ron Hall, Boilermakers.

Lt. Gov. S.B. Woo, a member of the Teachers, told the delegates that the level of the U.S. trade deficit is "very scary," as it means the loss of some 4 million American jobs to other countries.

The concern for the size of the trade gap was shared by Rep. Thomas R. Carper (D) who noted that while the greatest imbalance exists with Japan, virtually every nation is contributing to the deficit.

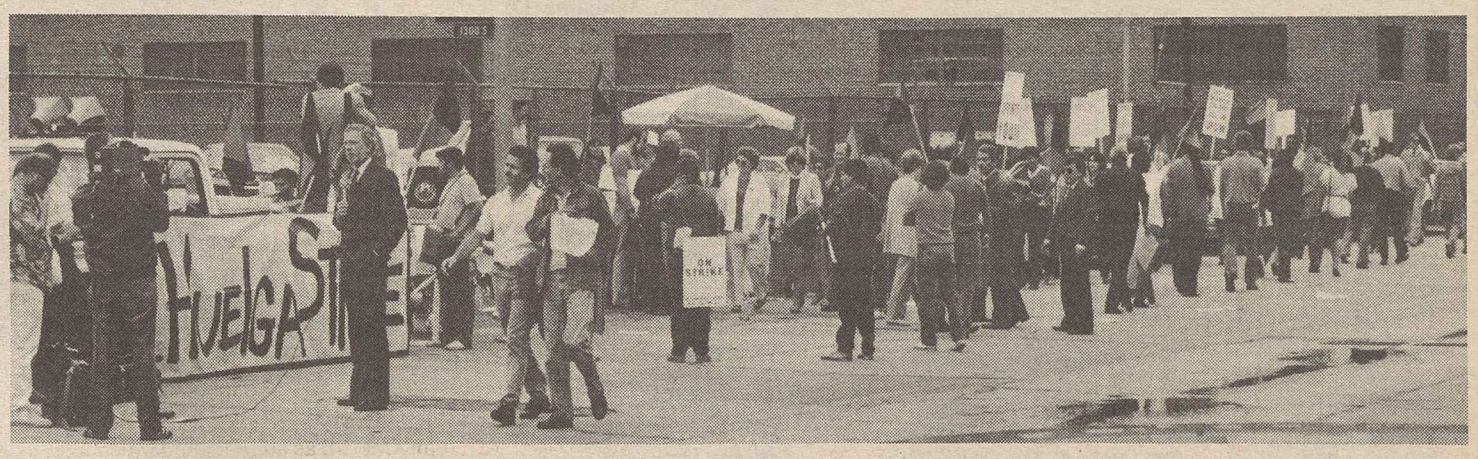
Other speakers included AFL-CIO Field Rep. Tom Bradley and Regional COPE Director Frank McGrath.

## Murray Latimer dies, union pension consultant

Murray W. Latimer, one of the architects of the nation's half-century-old social security system, died Oct. 1 of respiratory failure. He was 84.

In 1934 and 1935, Latimer served on the Committee on Economic Security, which produced the framework of the social security plan that President Roosevelt submitted to Congress.

From 1934 to 1946, he chaired the Railroad Retirement Board. After leaving the government, Latimer served as a pension consultant to the AFL-CIO and a number of affiliates.




## No bed of roses

Fired for union activities, 37 members of Ladies' Garment Workers Local 512 in Los Angeles are joined by picketing supporters as a strike against Angel Echevarria Co., maker of Somma waterbeds, enters its ninth month. In February, the ILGWU won a National Labor Relations Board election at the plant, 113-48. Management challenged the results, claiming irregularities in the conduct of the vote. When its complaint was thrown out by the NLRB regional office, the company appealed to Washington where the case is still pending. Meanwhile, the firm proceeded to fire union activists at its four Los Angeles area plants, precipitating the walkout.

# House votes on farm workers, imports

*The AFL-CIO supported both a farm bill amendment requiring field sanitation standards, which the House defeated on Oct. 8, and the textile import bill it passed on Oct. 10.*

**Column I** *shows the 227-199 defeat of the farm bill amendment requiring large growers who get federal financial aid to provide sanitation facilities and drinking water for field workers. Right votes (R) for the amendment were cast by 189 Democrats and 10 Republicans. Voting wrong (W) were 168 Republicans and 59 Democrats.*

**Column II** *is the 262-159 passage of the bill to limit textile and apparel imports that are wiping out U.S. jobs. Voting right were 187 Democrats and 75 Republicans. Voting wrong were 97 Republicans and 62 Democrats.*

*Numerals show congressional districts. A—absent; PR—paired right; PW—paired wrong.*

| | I | II |
|---|---|---|
| **ALABAMA** | | |
| 1. Callahan (R) | W | R |
| 2. Dickinson (R) | W | R |
| 3. Nichols (D) | W | R |
| 4. Bevill (D) | W | R |
| 5. Flippo (D) | R | R |
| 6. Erdreich (D) | R | R |
| 7. Shelby (D) | W | R |
| **ALASKA** | | |
| AL Young (R) | W | R |
| **ARIZONA** | | |
| 1. McCain (R) | W | W |
| 2. Udall (D) | R | W |
| 3. Stump (R) | W | W |
| 4. Rudd (R) | W | A |
| 5. Kolbe (R) | W | W |
| **ARKANSAS** | | |
| 1. Alexander (D) | W | R |
| 2. Robinson (D) | W | R |
| 3. Hammerschmidt (R) | W | R |
| 4. Anthony (D) | R | R |
| **CALIFORNIA** | | |
| 1. Bosco (D) | R | W |
| 2. Chappie (R) | W | W |
| 3. Matsui (D) | R | W |
| 4. Fazio (D) | R | R |
| 5. Burton (D) | R | R |
| 6. Boxer (D) | R | R |
| 7. Miller (D) | R | W |
| 8. Dellums (D) | R | R |
| 9. Stark (D) | R | W |
| 10. Edwards (D) | R | R |
| 11. Lantos (D) | R | R |
| 12. Zschau (R) | W | W |
| 13. Mineta (D) | A | W |
| 14. Shumway (R) | W | W |
| 15. Coelho (D) | R | R |
| 16. Panetta (D) | R | W |
| 17. Pashayan (R) | W | R |
| 18. Lehman (D) | W | R |
| 19. Lagomarsino (R) | W | W |
| 20. Thomas (R) | W | R |
| 21. Fiedler (R) | W | R |
| 22. Moorhead (R) | W | W |
| 23. Beilenson (D) | R | W |
| 24. Waxman (D) | R | W |
| 25. Roybal (D) | R | W |
| 26. Berman (D) | R | W |
| 27. Levine (D) | R | W |
| 28. Dixon (D) | R | R |
| 29. Hawkins (D) | R | R |
| 30. Martinez (D) | R | R |
| 31. Dymally (D) | R | W |
| 32. Anderson (D) | R | W |
| 33. Dreier (R) | W | W |
| 34. Torres (D) | R | R |
| 35. Lewis (R) | A | W |
| 36. Brown (D) | R | R |
| 37. McCandless (R) | A | W |
| 38. Dornan (R) | W | W |
| 39. Dannemeyer (R) | W | W |
| 40. Badham (R) | W | W |
| 41. Lowery (R) | W | W |
| 42. Lungren (R) | W | A |
| 43. Packard (R) | W | W |
| 44. Bates (D) | R | R |
| 45. Hunter (R) | W | R |
| **COLORADO** | | |
| 1. Schroeder (D) | R | W |
| 2. Wirth (D) | R | W |
| 3. Strang (R) | W | A |
| 4. Brown (R) | W | W |
| 5. Kramer (R) | W | W |
| 6. Schaefer (R) | W | W |
| **CONNECTICUT** | | |
| 1. Kennelly (D) | R | R |
| 2. Gejdenson (D) | R | R |
| 3. Morrison (D) | R | R |
| 4. McKinney (R) | R | R |
| 5. Rowland (R) | W | W |
| 6. Johnson (R) | W | W |
| **DELAWARE** | | |
| AL Carper (D) | R | R |
| **FLORIDA** | | |
| 1. Hutto (D) | W | R |
| 2. Fuqua (D) | R | R |
| 3. Bennett (D) | R | W |
| 4. Chappell (D) | R | R |
| 5. McCollum (R) | W | W |
| 6. MacKay (D) | R | W |
| 7. Gibbons (D) | R | W |
| 8. Young (R) | W | W |
| 9. Bilirakis (R) | W | R |
| 10. Ireland (R) | W | W |
| 11. Nelson (D) | R | W |
| 12. Lewis (R) | W | W |
| 13. Mack (R) | W | W |
| 14. Mica (D) | R | W |
| 15. Shaw (R) | W | W |
| 16. Smith (D) | R | R |
| 17. Lehman (D) | R | R |
| 18. Pepper (D) | R | R |
| 19. Fascell (D) | R | R |
| **GEORGIA** | | |
| 1. Thomas (D) | W | R |
| 2. Hatcher (D) | W | R |
| 3. Ray (D) | W | R |
| 4. Swindall (R) | W | R |
| 5. Fowler (D) | W | R |
| 6. Gingrich (R) | W | R |
| 7. Darden (D) | W | R |
| 8. Rowland (D) | W | R |
| 9. Jenkins (D) | W | R |
| 10. Barnard (D) | W | R |
| **HAWAII** | | |
| 1. Heftel (D) | R | W |
| 2. Akaka (D) | R | W |
| **IDAHO** | | |
| 1. Craig (R) | W | W |
| 2. Stallings (D) | W | W |
| **ILLINOIS** | | |
| 1. Hayes (D) | R | R |
| 2. Savage (D) | R | R |
| 3. Russo (D) | R | R |
| 4. O'Brien (R) | W | A |
| 5. Lipinski (D) | R | R |
| 6. Hyde (R) | R | PW |
| 7. Collins (D) | R | R |
| 8. Rostenkowski (D) | R | W |
| 9. Yates (D) | R | W |
| 10. Porter (R) | R | A |
| 11. Annunzio (D) | R | R |
| 12. Crane (R) | W | W |
| 13. Fawell (R) | W | W |
| 14. Grotberg (R) | W | W |
| 15. Madigan (R) | W | W |
| 16. Martin (R) | W | A |
| 17. Evans (D) | R | R |
| 18. Michel (R) | W | W |
| 19. Bruce (D) | R | R |
| 20. Durbin (D) | R | R |
| 21. Price (D) | R | R |
| 22. Gray (D) | R | R |
| **INDIANA** | | |
| 1. Visclosky (D) | R | R |
| 2. Sharp (D) | R | W |
| 3. Hiler (R) | W | W |
| 4. Coats (R) | W | W |
| 5. Hillis (R) | W | R |
| 6. Burton (R) | A | W |
| 7. Myers (R) | W | W |
| 8. McCloskey (D) | R | R |
| 9. Hamilton (D) | R | W |
| 10. Jacobs (D) | R | W |
| **IOWA** | | |
| 1. Leach (R) | W | W |
| 2. Tauke (R) | W | W |
| 3. Evans (R) | W | W |
| 4. Smith (D) | W | W |
| 5. Lightfoot (R) | W | W |
| 6. Bedell (D) | R | A |
| **KANSAS** | | |
| 1. Roberts (R) | W | W |
| 2. Slattery (D) | R | W |
| 3. Meyers (R) | W | W |
| 4. Glickman (D) | R | W |
| 5. Whittaker (R) | W | W |
| **KENTUCKY** | | |
| 1. Hubbard (D) | W | R |
| 2. Natcher (D) | W | R |
| 3. Mazzoli (D) | R | W |
| 4. Snyder (R) | W | R |
| 5. Rogers (R) | W | R |
| 6. Hopkins (R) | W | R |
| 7. Perkins (D) | R | R |
| **LOUISIANA** | | |
| 1. Livingston (R) | W | A |
| 2. Boggs (D) | A | R |
| 3. Tauzin (D) | R | R |
| 4. Roemer (D) | R | W |
| 5. Huckaby (D) | R | R |
| 6. Moore (R) | W | W |
| 7. Breaux (D) | R | R |
| 8. Long (D) | R | R |
| **MAINE** | | |
| 1. McKernan (R) | W | R |
| 2. Snowe (R) | W | R |
| **MARYLAND** | | |
| 1. Dyson (D) | W | R |
| 2. Bentley (R) | W | R |
| 3. Mikulski (D) | R | R |
| 4. Holt (R) | W | W |
| 5. Hoyer (D) | R | R |
| 6. Byron (D) | W | R |
| 7. Mitchell (D) | R | R |
| 8. Barnes (D) | R | R |
| **MASSACHUSETTS** | | |
| 1. Conte (R) | R | R |
| 2. Boland (D) | R | R |
| 3. Early (D) | R | R |
| 4. Frank (D) | R | R |
| 5. Atkins (D) | R | R |
| 6. Mavroules (D) | R | R |
| 7. Markey (D) | R | R |
| 8. O'Neill (D) | Speaker | |
| 9. Moakley (D) | R | R |
| 10. Studds (D) | R | R |
| 11. Donnelly (D) | R | R |
| **MICHIGAN** | | |
| 1. Conyers (D) | R | R |
| 2. Pursell (R) | W | W |
| 3. Wolpe (D) | R | R |
| 4. Siljander (R) | W | W |
| 5. Henry (R) | W | R |
| 6. Carr (D) | W | R |
| 7. Kildee (D) | A | PR |
| 8. Traxler (D) | R | R |
| 9. Vander Jagt (R) | W | W |
| 10. Schuette (R) | W | R |
| 11. Davis (R) | W | R |
| 12. Bonior (D) | R | R |
| 13. Crockett (D) | R | W |
| 14. Hertel (D) | R | R |
| 15. Ford (D) | R | R |
| 16. Dingell (D) | R | R |
| 17. Levin (D) | R | R |
| 18. Broomfield (R) | W | W |
| **MINNESOTA** | | |
| 1. Penny (D) | W | W |
| 2. Weber (R) | W | W |
| 3. Frenzel (R) | W | W |
| 4. Vento (D) | R | R |
| 5. Sabo (D) | R | W |
| 6. Sikorski (D) | R | R |
| 7. Stangeland (R) | W | W |
| 8. Oberstar (D) | R | R |
| **MISSISSIPPI** | | |
| 1. Whitten (D) | W | R |
| 2. Franklin (R) | W | R |
| 3. Montgomery (D) | W | R |
| 4. Dowdy (D) | W | R |
| 5. Lott (R) | W | R |
| **MISSOURI** | | |
| 1. Clay (D) | R | R |
| 2. Young (D) | W | R |
| 3. Gephardt (D) | R | R |
| 4. Skelton (D) | W | R |
| 5. Wheat (D) | R | R |
| 6. Coleman (R) | W | W |
| 7. Taylor (R) | W | R |
| 8. Emerson (R) | W | R |
| 9. Volkmer (D) | W | R |
| **MONTANA** | | |
| 1. Williams (D) | R | R |
| 2. Marlenee (R) | W | W |
| **NEBRASKA** | | |
| 1. Bereuter (R) | W | W |
| 2. Daub (R) | W | W |
| 3. Smith (R) | W | W |
| **NEVADA** | | |
| 1. Reid (D) | R | R |
| 2. Vucanovich (R) | W | W |
| **NEW HAMPSHIRE** | | |
| 1. Smith (R) | W | R |
| 2. Gregg (R) | W | R |
| **NEW JERSEY** | | |
| 1. Florio (D) | R | R |
| 2. Hughes (D) | R | R |
| 3. Howard (D) | R | R |
| 4. Smith (R) | R | R |
| 5. Roukema (R) | W | R |
| 6. Dwyer (D) | R | R |
| 7. Rinaldo (R) | R | R |
| 8. Roe (D) | R | R |
| 9. Torricelli (D) | R | R |
| 10. Rodino (D) | R | R |
| 11. Gallo (R) | W | W |
| 12. Courter (R) | W | W |
| 13. Saxton (R) | W | W |
| 14. Guarini (D) | R | R |
| **NEW MEXICO** | | |
| 1. Lujan (R) | W | W |
| 2. Skeen (R) | W | R |
| 3. Richardson (D) | R | R |
| **NEW YORK** | | |
| 1. Carney (R) | W | R |
| 2. Downey (D) | R | W |
| 3. Mrazek (D) | R | R |
| 4. Lent (R) | W | R |
| 5. McGrath (R) | W | R |
| 6. Addabbo (D) | A | A |
| 7. Ackerman (D) | R | R |
| 8. Scheuer (D) | R | W |
| 9. Manton (D) | R | R |
| 10. Schumer (D) | R | W |
| 11. Towns (D) | R | R |
| 12. Owens (D) | R | R |
| 13. Solarz (D) | R | W |
| 14. Molinari (R) | W | W |
| 15. Green (R) | R | W |
| 16. Rangel (D) | R | R |
| 17. Weiss (D) | R | R |
| 18. Garcia (D) | R | R |
| 19. Biaggi (D) | R | R |
| 20. DioGuardi (R) | W | R |
| 21. Fish (R) | R | R |
| 22. Gilman (R) | R | R |
| 23. Stratton (D) | W | R |
| 24. Solomon (R) | W | A |
| 25. Boehlert (R) | W | R |
| 26. Martin (R) | W | R |
| 27. Wortley (R) | W | W |
| 28. McHugh (D) | R | W |
| 29. Horton (R) | W | R |
| 30. Eckers (R) | W | W |
| 31. Kemp (R) | W | W |
| 32. LaFalce (D) | R | W |
| 33. Nowak (D) | R | R |
| 34. Lundine (D) | R | R |
| **NORTH CAROLINA** | | |
| 1. Jones (D) | R | R |
| 2. Valentine (D) | W | R |
| 3. Whitley (D) | W | R |
| 4. Cobey (R) | W | R |
| 5. Neal (D) | R | R |
| 6. Coble (R) | W | R |
| 7. Rose (D) | R | R |
| 8. Hefner (D) | R | R |
| 9. McMillan (R) | W | R |
| 10. Broyhill (R) | W | R |
| 11. Hendon (R) | W | R |
| **NORTH DAKOTA** | | |
| AL Dorgan (D) | W | W |
| **OHIO** | | |
| 1. Luken (D) | R | W |
| 2. Gradison (R) | W | W |
| 3. Hall (D) | R | R |
| 4. Oxley (R) | W | W |
| 5. Latta (R) | W | W |
| 6. McEwen (R) | W | W |
| 7. DeWine (R) | W | W |
| 8. Kindness (R) | W | R |
| 9. Kaptur (D) | W | R |
| 10. Miller (R) | W | R |
| 11. Eckart (D) | R | R |
| 12. Kasich (R) | W | W |
| 13. Pease (D) | R | W |
| 14. Seiberling (D) | R | W |
| 15. Wylie (R) | W | R |
| 16. Regula (R) | W | R |
| 17. Traficant (D) | R | R |
| 18. Applegate (D) | W | R |
| 19. Feighan (D) | R | R |
| 20. Oakar (D) | R | R |
| 21. Stokes (D) | R | R |
| **OKLAHOMA** | | |
| 1. Jones (D) | W | W |
| 2. Synar (D) | R | W |
| 3. Watkins (D) | W | W |
| 4. McCurdy (D) | W | W |
| 5. Edwards (R) | W | W |
| 6. English (D) | W | W |
| **OREGON** | | |
| 1. AuCoin (D) | R | W |
| 2. Smith, Robert (R) | W | W |
| 3. Wyden (D) | R | W |
| 4. Weaver (D) | R | R |
| 5. Smith, Denny (R) | W | W |
| **PENNSYLVANIA** | | |
| 1. Foglietta (D) | R | R |
| 2. Gray (D) | R | R |
| 3. Borski (D) | R | R |
| 4. Kolter (D) | W | R |
| 5. Schulze (R) | W | R |
| 6. Yatron (D) | W | R |
| 7. Edgar (D) | R | R |
| 8. Kostmayer (D) | R | R |
| 9. Shuster (R) | W | R |
| 10. McDade (R) | A | R |
| 11. Kanjorski (D) | W | R |
| 12. Murtha (D) | R | R |
| 13. Coughlin (R) | R | R |
| 14. Coyne (D) | R | R |
| 15. Ritter (R) | W | R |
| 16. Walker (R) | W | W |
| 17. Gekas (R) | W | R |
| 18. Walgren (D) | R | R |
| 19. Goodling (R) | W | R |
| 20. Gaydos (D) | R | R |
| 21. Ridge (R) | W | R |
| 22. Murphy (D) | R | R |
| 23. Clinger (R) | W | R |
| **RHODE ISLAND** | | |
| 1. St Germain (D) | R | R |
| 2. Schneider (R) | W | R |
| **SOUTH CAROLINA** | | |
| 1. Hartnett (R) | W | R |
| 2. Spence (R) | W | R |
| 3. Derrick (D) | W | R |
| 4. Campbell (R) | W | R |
| 5. Spratt (D) | W | R |
| 6. Tallon (D) | W | R |
| **SOUTH DAKOTA** | | |
| AL Daschle (D) | R | W |
| **TENNESSEE** | | |
| 1. Quillen (R) | W | R |
| 2. Duncan (R) | W | R |
| 3. Lloyd (D) | W | R |
| 4. Cooper (D) | W | R |
| 5. Boner (D) | W | R |
| 6. Gordon (D) | W | R |
| 7. Sundquist (R) | W | R |
| 8. Jones (D) | W | R |
| 9. Ford (D) | R | R |
| **TEXAS** | | |
| 1. Chapman (D) | W | R |
| 2. Wilson (D) | R | R |
| 3. Bartlett (R) | W | W |
| 4. Hall (D) | W | R |
| 5. Bryant (D) | R | R |
| 6. Barton (R) | W | W |
| 7. Archer (R) | W | W |
| 8. Fields (R) | W | W |
| 9. Brooks (D) | R | R |
| 10. Pickle (D) | R | W |
| 11. Leath (D) | W | R |
| 12. Wright (D) | R | R |
| 13. Boulter (R) | W | W |
| 14. Sweeney (R) | W | W |
| 15. de la Garza (D) | R | R |
| 16. Coleman (D) | R | R |
| 17. Stenholm (D) | R | R |
| 18. Leland (D) | R | R |
| 19. Combest (R) | W | R |
| 20. Gonzalez (D) | R | R |
| 21. Loeffler (R) | W | R |
| 22. DeLay (R) | W | W |
| 23. Bustamente (D) | R | R |
| 24. Frost (D) | R | R |
| 25. Andrews (D) | W | R |
| 26. Armey (R) | W | W |
| 27. Ortiz (D) | R | R |
| **UTAH** | | |
| 1. Hansen (R) | W | W |
| 2. Monson (R) | W | R |
| 3. Nielson (R) | W | W |
| **VERMONT** | | |
| AL Jeffords (R) | W | R |
| **VIRGINIA** | | |
| 1. Bateman (R) | W | R |
| 2. Whitehurst (R) | W | W |
| 3. Bliley (R) | W | R |
| 4. Sisisky (D) | W | R |
| 5. Daniel (D) | W | R |
| 6. Olin (D) | W | R |
| 7. Slaughter (R) | W | R |
| 8. Parris (R) | W | R |
| 9. Boucher (D) | R | R |
| 10. Wolf (R) | W | W |
| **WASHINGTON** | | |
| 1. Miller (R) | W | W |
| 2. Swift (D) | R | W |
| 3. Bonker (D) | R | W |
| 4. Morrison (R) | W | W |
| 5. Foley (D) | R | W |
| 6. Dicks (D) | R | W |
| 7. Lowry (D) | R | W |
| 8. Chandler (R) | W | W |
| **WEST VIRGINIA** | | |
| 1. Mollohan (D) | W | R |
| 2. Staggers (D) | R | R |
| 3. Wise (D) | R | R |
| 4. Rahall (D) | W | R |
| **WISCONSIN** | | |
| 1. Aspin (D) | R | R |
| 2. Kastenmeier (D) | R | R |
| 3. Gunderson (R) | W | W |
| 4. Kleczka (D) | R | W |
| 5. Moody (D) | R | R |
| 6. Petri (R) | W | W |
| 7. Obey (D) | R | R |
| 8. Roth (R) | W | A |
| 9. Sensenbrenner (R) | W | W |
| **WYOMING** | | |
| AL Cheney (R) | W | W |

# EDITORIALS

## Legislating Decency

THE CASE for plant closing legislation is so compelling that the most charitable explanation of the failure of Congress to act is that too few of its members are aware of the magnitude of the problem and the modest provisions of the bill that was approved by the House Education & Labor Committee last July.

The alternative explanation for congressional inaction is a knee-jerk subservience to business opposition to any ''infringement'' on management's right to close a plant for any reason, without notice to its workers and without regard to the impact on the community.

There is nothing that can be done about ideological intransigence, but the many concerned organizations supporting the legislation have been striving to overcome misinformation about what the bill requires—and does not require.

It requires companies employing 50 or more employees to give 90 days' notice of plant closings or mass layoffs.

If workers are represented by a union, it requires employers to provide information of the reason for the planned shutdown and to discuss possible alternatives.

It does not require employers to agree to any proposal or to postpone a shutdown beyond the notification period.

Its least contoversial provision is for a national commission to study plant closings and mass layoffs.

OVER THE PAST five years, 11.5 million American workers lost their jobs when plants closed. Communities were ravaged and lives wrecked. It is no coincidence that religious groups are in the forefront of the campaign for plant closing legislation. Their clergy have ministered to the victims of plant closings and their families.

No section of the nation has been immune, not the Sunbelt, not the high-tech enclaves.

In view of the magnitude of the problem, the proposed legislation is a small but important step that should have wider bipartisan support than has yet emerged.

Many employers already give reasonable advance notice of plant closings, put their cards on the table and explore alternatives advanced by community leaders and unions. Sometimes, there is no feasible alternative, but at least there has been advance warning to ease the shock and hardship.

Is such a common sense approach, if mandated by law, really the infringement on ''management prerogatives'' that business lobbyists claim?

## Lest We Forget

AFTER NEARLY five years in office, President Reagan is hard put to continue to blame all of the nation's economic ills on his predecessors.

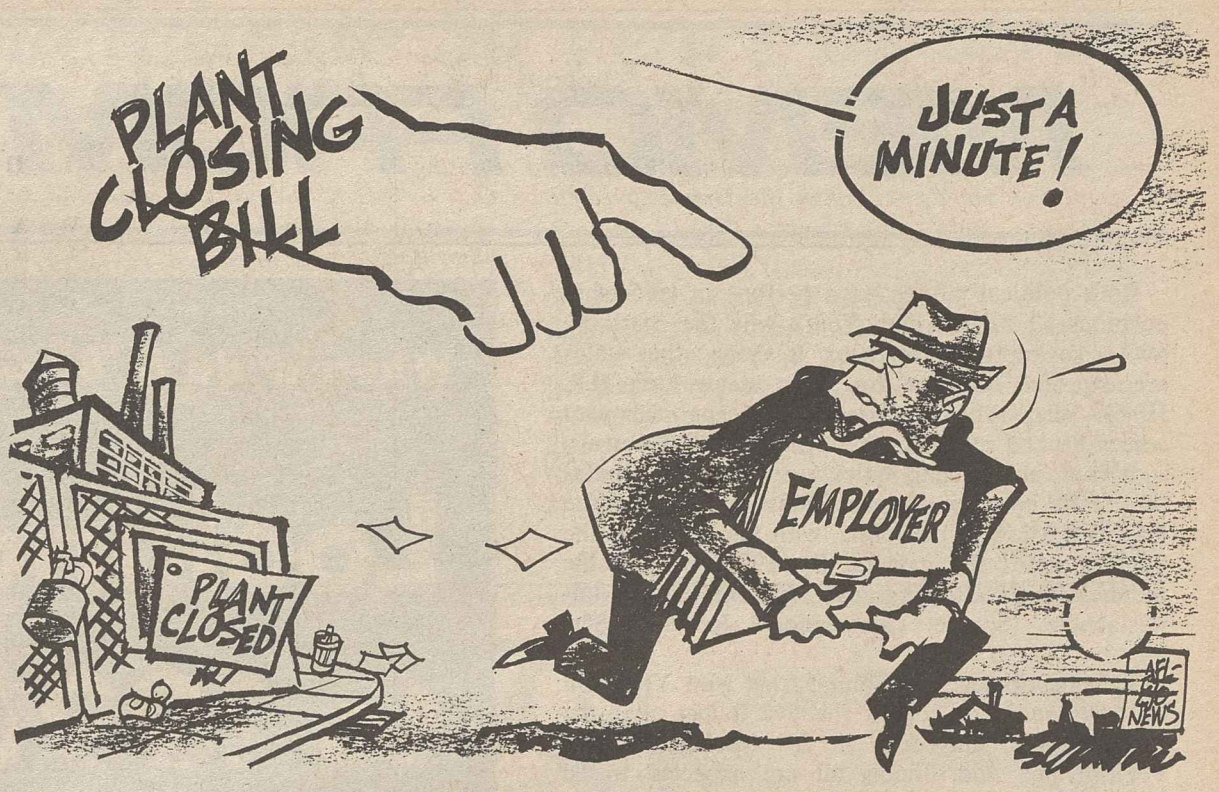
It was Mr. Reagan, after all, who insisted that a mixture of heavy tax cuts—especially for the very wealthy—and a steep rise in military spending made economic sense.

Just over four years ago, the President signed a bill raising the debt ceiling for the first time over the $1 trillion dollar mark, and this is what he said:

''The $1 trillion dollar debt figure can stand as a monument to the policies of the past that brought it about, policies which, as of today, are reversed.''

That was on Oct. 1, 1981. The national debt reflected the accumulated obligations of nearly 200 years of constitutional government, including wartime expenditures.

Congress gave Mr. Reagan the economic program he sought, and the debt has now doubled to more than $2 trillion. Surely the solution isn't for Congress to cede still more budget power to the President.




**Washington Window**

# America's spirit mocked by epidemic of hunger

**By Press Associates, Inc.**

The generosity of the American people shows itself over and over. Mass hunger in Africa, an earthquake in Mexico. When disaster strikes, Americans respond.

Why is it, then, that the growing epidemic of hunger at home goes ignored by many elected officials and most of the business community?

It can be admitted at the outset that this is the Reagan era. Business is in the saddle. The President himself believes in leaving most problems to be solved by ''the magic of the marketplace.'' The President and the rich and the powerful know how to exploit the traditional values of individualism and self-reliance.

When high unemployment persisted following the 1982 recession, the President advised the unemployed to look in the want-ads. When soup kitchens began proliferating, then presidential counselor Edwin Meese III dismissed the reports as ''anecdotal.'' There are always people looking for free meals, he said.

Yet the good people—in unions, in the professions, in civic groups, in religious organizations, in business and in politics—refuse to give up.

### Perseverance

They refuse to give up because, in accordance with their beliefs, they cannot give up. They insist, in the old saying, on ''speaking truth to power.''

A new draft of a pastoral letter on the economy by the Roman Catholic bishops raises a basic issue: ''Every perspective of economic life that is human, moral, and Christian must be shaped by three questions—What does the economy do for people? What does it do to people? And how do people participate in it?''

The bishops are attempting to build ''bridges of responsibility'' between the poor and the middle and affluent classes. They expressed alarm that ''many working people and middle-class Americans live dangerously close to poverty,'' dependent on two or three incomes in a family, but called for special attention to the poor.

''That so many people are poor in a nation as rich as ours is a social and moral scandal that must not be ignored,'' the bishops said.

Bread for the World, a Christian citizens' movement, released a report on its ''Hunger Watch U.S.A.,'' which estimated that 1.5 million people are going hungry in 36 areas surveyed. The survey was carried out by a grant from the Ralston-Purina Trust Fund.

### Voluntary aid

Margaret Lorber, chief author of Hunger Watch's ''Unfed America '85'' report, said volunteer agencies are ''staggering'' under the burden of feeding the hungry. Her report said private and voluntary emergency programs are serving 16 percent more people per month in 1985 than in 1984. Boston, Houston and Nashville showed the largest increases with 30 percent each.

The Bread for the World group said federal programs are falling far short of reaching eligible people. It noted that the Women, Infants and Children (WIC) program reaches only 3.1 million of more than 10 million eligible and urged that WIC be made an entitlement program. It also urged that Congress expand and increase the food stamp, school lunch and breakfast, and elderly nutrition programs. It noted that the food stamp program has been cut by $7 billion in the past four years, with 1 million people losing benefits.

Earlier this year, Harvard's Physician Task Force on Hunger in America reported that ''hunger is a problem of epidemic proportions across the nation.'' The physicians' field studies, funded by grants from a dozen foundations, concluded that, ''While no one knows the precise number of hungry Americans, available evidence indicates that up to 20 million citizens may be hungry at least some period of time each month.''

The bishops' pastoral letter appropriately quoted from Abraham Lincoln's speech at Gettysburg that there is ''unfinished work'' to be done.

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# MEMO FROM COPE

## Where'd '86 & '88 Go?

# Looking to 1990

Both political parties have persons in leadership positions who can count. That's why the chart below is so important to them. It shows what states are expected to gain, and what states lose, U.S. House seats when congressional reapportionment comes around in 1991, following the 1990 Census.

A look at the chart quickly reveals that population shifts once again make industrial states of the East and Midwest the losers, with the West and the Sunbelt states the gainers. By 1990, the specific numbers might change slightly, but the trend is unmistakable. (Source: Congressional Research Service.)

It is anticipated, for example, that New York will lose five seats, on top of the five it lost after the 1980 Census, and drop to 29. Michigan, Ohio, Pennsylvania and Illinois all are expected to be multiple losers.

Florida and Texas will each pick up four, California three and Arizona two.

In all, 19 seats are figured to shift from present locations, all but one each in Kansas and Iowa from traditional population and industrial centers.

Who's going to win these seats—for that matter, who's going to have the stronger hold on what's left in the losing states—in large part will be determined by who gets to do the reapportioning, who controls the state legislatures in 1991 as a result of 1990 elections.

The corollary is equally important—that in 1991 these same legislatures will redistrict themselves because of population shifts *within* the states.

While the political parties are going all out on 1986 elections, and positioning for the 1988 presidential run, both are looking beyond these to 1990. Republicans two years ago set up their "1991 Plan," described by them as a targeted program "to dramatically increase the number of Republican (state) legislative seats and governorships in preparation for crucial reapportionment."

Democrats have responded with "Project 500," which aims to "elect or retain 500 legislators in marginal districts and states," thus maintain a controlling voice in reapportionment and redistricting in most states.

As in all enterprises, Democrats will have to overcome an enormous GOP advantage in funding. Republicans are said to have $15 million to pour into their effort, probably an underestimate given the kind of money they pull in these days. Democrats hope to get $2 million for the 1985-86 election cycle, score well in 1986 state legislative elections, and build on this success in 1988 and 1990.

### Gainers, Losers

| | Present No. House Seats | Change As of 1991 |
|---|---|---|
| ARIZONA | 5 | +2 |
| ARKANSAS | 4 | +1 |
| CALIFORNIA | 45 | +3 |
| COLORADO | 6 | +1 |
| CONNECTICUT | 6 | −1 |
| FLORIDA | 19 | +4 |
| GEORGIA | 10 | +1 |
| ILLINOIS | 22 | −2 |
| IOWA | 6 | −1 |
| KANSAS | 5 | −1 |
| MASSACHUSETTS | 11 | −1 |
| MICHIGAN | 18 | −2 |
| NEW JERSEY | 14 | −1 |
| NEW YORK | 34 | −5 |
| OHIO | 21 | −2 |
| OREGON | 5 | +1 |
| PENNSYLVANIA | 23 | −3 |
| TEXAS | 27 | +4 |
| UTAH | 3 | +1 |
| WASHINGTON | 8 | +1 |

## Reagan Rhetoric Ducks Deficit Responsibility

Of all the reverberating rhetoric generated around the recent proposal in Congress to mandate a balanced federal budget, President Reagan's boomed out from the rest like a howitzer beside a pop-gun.

More than any of his loyal GOP warriors in the Senate, Reagan fired off his heavy artillery in partisan fashion, zeroing in on Democrats as the single villain in the long ascent to $2 trillion in federal red ink.

"Republicans," he said "have swallowed hard every time we've had to vote for an increase in the debt ceiling. But these were forced on us by 50 years of deficit spending by the Democrats."

That's called demagoging it with a purpose.

The purpose is to pull a red herring across a trail that leads directly to Reagan's desk.

The fact is he's the biggest deficit spender in American history—the longest and loudest decrier of deficits—he's been at it more than 20 years now —but the all-time champ in running them up.

It took the 50 years leading up to Reagan to achieve $1 trillion in federal debt, and Republican Presidents collaborated in amassing it. In five years, Reagan has doubled government debt to $2 trillion.

This makes him 10 times better at going into debt than all his predecessors of the last 50 years combined. In fact, the present cost of *interest alone* on Reagan's debt — about $150 billion a year — is greater than total federal spending in Lyndon Johnson's day.

## Sometimes, Those Who Change Parties in Midstream Drown

Lately, the chic thing politically has been to get elected as a Democrat then, sometime in the course of your term, announce you're jumping to the Republicans.

The Republicans rejoice and open their arms to the sinner reborn. And they draw the lesson that this is as it should be, because everybody belongs under Ron Reagan's loving roof.

Now and then, however, voters get annoyed. They figure they elected this person as one thing and now he goes and becomes something else. In Hawaii, recently, voters got so miffed they told three party-switchers to scram.

Three persons elected to the Honolulu city council last November as Democrats had bolted in June to the GOP, giving it control of the body.

The newly empowered GOP swiftly ousted the Democratic council chairperson, who happened to be former Rep. Patsy Mink. She and other Democratic leaders responded by launching a recall against the trio of defectors.

Republicans huffed and puffed and brought in the big guns. They ran a slick, costly radio/TV campaign for their embattled, recently acquired brethren. The campaign even featured their top box-office draw, President Reagan himself, appealing for support for his new-found friends. GOP spending: $250,000 *for city council* (in some areas, you can still run a U.S. House campaign for that.)

When the votes were tallied, all three of the Democrats-turned-Republicans-in-midstream were defeated, two on close votes, one in a rout.

President Reagan, in TV spots he did for the three, had told Honolulu voters: "The right to switch parties for principle is as American as the Stars and Stripes. I have done it myself."

He forgot to note his own switch did not occur while he occupied office, nor did he note that voters, of course, have the right to deal with the switchers in their own very democratic way, with their ballots.

At least in Honolulu, they sent the message that sometimes those who change parties in midstream drown.

## What Happens When Rambo Marries Barbie

**Mention was made in the AFL-CIO Legislative Alert on this page last week of Rambo, the roughest, toughest American patriot this side of Duke Wayne. A Rambo doll, the Alert revealed, is manufactured by an American firm in the Far East.**

**Perhaps the Rambo doll will waste Ken and hook up with America's sweetheart, the Barbie doll (made by an American firm in Mexico). The two can go through life together waving those little American flags they hand out for Fourth of July parades (made in Japan), and perhaps for decorative purposes in the house, even place on the mantel a small souvenir statue of the U.S. flag being raised on Iwo Jima (also made in Japan).**

**For exercise, Rambo can instruct Barbie in that most American of sports, baseball (bats and balls made by an American firm in Central America).**

**They can acquire their own little Cabbage Patch doll (made by an American firm in the Far East) and wheel it around in a four-on-the-floor pram (Volkswagen), dashing now and then to the neighborhood fast-food outlet whose hamburgers are made at some American rubber company's plant in Malaysia.**

**When they grow old, they can collect social security which by then will be . . . aw, forget it!**

## Right-Wing Glitz

**You got $10,000 kicking around loose?**

**Or 10 pals with $1,000 each itching to put it up so they can rub elbows with Pat Boone and Ginger Rogers, and maybe even (we should all be so lucky) Jim Watt and Terry Dolan?**

**And, with a few breaks, perhaps crack a beer with Joe Coors (non-union beer, at that)?**

**If you can manage either the $10,000 or prevail on friends with $1,000 each, you can join those folks and other right-wing performers and leaders at the "1985 Las Vegas Gala" sponsored by the National Conservative Foundation for its own enrichment.**

**Better hurry, though. The event is scheduled October 26.**

**It aims to raise more than $1 million to help fund a National Conservative Convention next summer in Dallas, during which right-wingers will launch their bid to control the GOP presidential nominating process for 1988.**

**Surely, you want to help them do that.**

**If you hit it lucky and buy the right ticket, you can win a $100,000 floor-length chinchilla cape, or better yet the foal of a prize racehorse.**

**If you win 'em both, you can ride the foal to your worksite, dressed in your floor-length chinchilla (you, not the foal).**

**All this comes from a letter bursting with excitement, sent to rightists nationwide by Sen. Chic Hecht (R-Nev.), honorary co-chairman of this glitzy right-wing event.**

# America's unions celebrate 30 years of unity

**By Henry C. Fleisher**

*The author had been director of publicity for the CIO and served as publications director for the AFL-CIO from 1955 to 1958.*

It was a sparkling moment in American labor history. It was an assemblage gathered on a note of triumph to celebrate the laying aside of old conflicts and animosities, to recall the years of patient negotiations, and to savor an accelerated movement towards labor unity.

The moment was, of course, the first constitutional convention of the AFL-CIO—the new American Federation of Labor and Congress of Industrial Organizations.

The time, Monday morning, Dec. 5, 1955. The place: the cavernous 71st Regimental Armory at the corner of Park Avenue and 34th Street in New York. The scene was symbolic of new enthusiasm for labor unity. Behind the podium was a huge backdrop, brightly colored. Along its top were the words: ''All Trades—All Crafts—All Creeds—Together.'' Below the words were vertical red and white stripes and the new clasped-hands seal of the merged labor federation.

Just behind the podium, in a dramatic ''photo opportunity,'' George Meany of the AFL and Walter P. Reuther of the CIO held aloft a giant-sized ceremonial gavel. Reuther had brought it to New York from his Detroit UAW office for just such a purpose.

At the podium stood Harry Bates of the Bricklayers, the senior member of the joint Labor Unity Committee which had made the convention possible. Flanking him were the two secretary-treasurers—Jim Carey of the CIO and Bill Schnitzler of the AFL.

The two men who held the gavel were the kind of ''odd couple'' that historic events often bring together. George Meany was an Irish kid from the Bronx, a plumber and a plumber's union business agent; a president of the New York State AFL body with a distinguished record of getting bills passed in Albany; secretary-treasurer of the AFL since the late 1930s; and president of the AFL from 1952, following the death of William Green. Meany was tough-minded, practical, reared in the proud tradition of his skilled

**Continued on Page 4**

AFL-CIO news

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**LEGISLATIVE ALERT!**
PAGE 8

# Council charts new course

## *Convention report spells out organizing, bargaining goals*

Anaheim, Calif.—New approaches to organizing and collective bargaining and continued commitment to social and political action are highlighted in the AFL-CIO Executive Council's report to the federation's 16th convention, which starts here Oct. 28.

AFL-CIO President Lane Kirkland, in his opening section of the report, notes that the last five years under the Reagan Administration have been difficult ones for workers and their unions. But as the AFL-CIO marks the 30th anniversary of its formation through merger, he finds evidence of a renewed spirit and a strong sense of purpose among union members throughout the country.

Conceding that ''we have endured and are still reeling from the effects of the devastating Reagan Recession and inexcusably high unemployment,'' Kirkland says it has been heartening to see the enthusiastic response at all levels of organized labor to proposals advanced in the Executive Council's report on ''The Changing Situation of Workers and Their Unions.''

The resulting healthy debate and constructive dialogues within and between AFL-CIO unions ''are already producing results in organizing, in servicing members' needs and in collective bargaining,'' Kirkland points out.

Reviewing political developments, he observes that despite the outcome of the 1984 presidential election, the labor movement can be proud of its role in supporting Walter Mondale and Geraldine Ferraro. Whether or not the AFL-CIO determines to endorse a candidate in 1988, he adds, ''the more important issue is whether we continue with a process that has built solidarity within our ranks. Acting together, we may endorse one candidate or more, candidates from both major parties, or no candidates. The key point, vital to the labor movement, is that whatever the decision, we act in unity.''

### 'Crushing' deficits

On the economic front, Kirkland cites the AFL-CIO's demand for ''action to deal with the crushing federal budget deficits that are Ronald Reagan's legacy to this country.''

The answer, he says, as spelled out in the Executive Council's report to the convention, ''lies in limiting defense spending to reasonable levels, in policies to increase employment and thereby boost tax revenues and in restoration of some of the revenues

**Continued on Page 2**

## Auto Workers gain parity in Chrysler pact

Detroit—More than 70,000 Auto Workers won a new three-year contract at Chrysler Corp. giving them ''parity-plus'' with their counterparts at Ford and General Motors, as well as bonuses for their sacrifices five years ago when the automaker teetered on the brink of bankruptcy.

The settlement, reached after marathon negotiations stetching over a 42-hour period, paved the way for the end of the first UAW strike at Chrysler in a dozen years. Union officials said they expected prompt ratification of the agreement and a speedy return to work at the 50 struck plants.

UAW President Owen Bieber described the new contract—which runs until Sept. 14, 1988, a full year after current agreements

**Continued on Page 2**




**Flaming finale**

Strikers burn picket signs to celebrate the end of a 46-day walkout by nine unions at Philadelphia's two daily newspapers, the Inquirer and the Daily News. Joint bargaining under the umbrella of a unity council maintained union solidarity and led to a settlement giving 4,700 workers wage increases of $37.50 a week in each year of the four-year agreement. (Story on Page 4.)

# Flaws mark hasty plan to cut deficit

**By David L. Perlman**

The deficit reduction plan that was so hastily adopted by the Senate is hazardous to the nation's economic health, callous to human needs and constitutionally dubious, the AFL-CIO charged.

Labor's concern at the unexplored mine fields in the Senate's balanced budget timetable was echoed at the House-Senate conference that is now giving the measure its first close scrutiny. The first conference sessions were spent in a not always successful attempt to clarify the often conflicting interpretations of the Senate-passed bill.

AFL-CIO Legislative Director Ray Denison cited this confusion of interpretation in a letter urging members of Congress to carefully scrutinize a complex measure that would have a ''revolutionary impact'' on government.

Its provisions ''leave enormous leeway for interpretation,'' Denison said. And its shift of power from Congress to the White House raises ''serious questions'' about its constitutionality, he stressed.

### No House hearings

The Senate bill was passed as an amendment to a routine House bill raising the debt ceiling, and Denison noted that it was never the subject of committee hearings. Its principal authors are Senators Phil Gramm (R-Tex.) and Warren B. Rudman (R-N.H.). Gramm is the former ''boll weevil'' Democratic congressman who joined with House Republicans in 1981 to steamroller through President Reagan's legislative program.

As Denison noted in his letter, the huge rise in the deficit that the balanced budget proposal seeks to address stems directly from Reagan's ''incompatible priorities'' of reducing taxes and raising defense spending at the same time.

The Gramm-Rudman plan would require the deficit to be cut by $36 billion a year to reach the balanced budget goal by the 1991 fiscal year. If Congress failed to meet the target—even if the failure was caused by presidential vetoes—the President would be required to cut cost-of-living protections

**Continued on Page 5**

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UAW President Owen Bieber and Vice President Marc Stepp, left, announce "parity-plus" contract that ended the seven-day Chrysler strike.

## 'Parity-plus' for UAW

# Chrysler pact keyed to pay, job security

**Continued from Page 1**

with Ford and GM expire—as a trend setter for the auto industry.

The Chrysler accord, he said, establishes "a full industry pattern" that will "move our entire bargaining process forward."

Bieber said that the agreement covered all the key areas at issue in the strike, "including job security, outsourcing, training (and) pensions," adding:

"This package is parity-plus."

Under the agreement, Chrysler workers will receive pay increases totaling 7.5 percent over the three years of the agreement—an immediate 2.25-percent hike, a lump-sum bonus of 2.25 percent of the previous year's base earnings in the second year, and an additional 3-percent wage boost in the third year.

### Up-front bonuses

Although negotiators were unable to agree on how to replace the profit-sharing plan that the UAW gave up as part of its 1982 concessions, the contract calls for payments of $500 each in March 1987 and March 1988 in lieu of profit-sharing.

In addition, the contract provides up-front bonuses which Bieber said were "in recognition of the contributions of workers who saved Chrysler from bankruptcy and returned the corporation to health." This will mean payments of $2,000 to UAW members currently on the payroll, $1,000 to retirees and $600 to surviving spouses of Chrysler workers.

With Chrysler fully recovered from its brush with bankruptcy, the UAW went to the bargaining table this year determined to make up the estimated $1 billion in contract concessions it had made five years ago to help keep the financially strapped automaker afloat.

Union negotiators also emphasized the job security issue, pointing out that more than 60,000 Chrysler jobs had vanished in the past decade. While some of the employment loss resulted from foreign competition, a significant share was blamed on "outsourcing"—the use of foreign plants and nonunion firms to supply components.

The union also stressed the need for job security "banks," similar to those established in last year's GM and Ford negotiations with $1.3 billion worth of funding over a six-year period, to provide wages and retraining for displaced workers.

Although full details of the Chrysler contract were not made public pending the ratification vote, Bieber's comments concerning the tentative agreement indicated that these issues were resolved to the UAW's satisfaction.

The 10,000 Canadian auto workers reached agreement on a two-year pact after a five-day strike at Chrysler's six facilities in Ontario.

# UFCW's Prudential accord brings wage, benefit gains

Some 16,000 members of the Food & Commercial Workers have overwhelmingly ratified a new contract with Prudential Insurance Co., giving them a package of wage and benefit increases worth nearly $65 a week over the next two years.

It was the first contract for the Prudential agents in 35 states and the District of Columbia since the Insurance Workers merged with the UFCW in October 1983.

Joseph Pollack, associate director of UFCW's Professional, Insurance, Finance & Health Care Division, said agents will receive pay increases of $25.91 in the first year and $16.91 in the second, with an additional $10.81 each year in improved benefits.

Agents will receive a $290 lump-sum payment as compensation for wages they would have gotten had the new contract been negotiated by Sept. 23, when the old agreement expired.

Although Prudential turned down a union-shop clause, it agreed to provide every agent with an application for union membership and a dues-deduction authorization card along with a copy of the agreement.

The new contract calls for establishment of a legal services plan, an optional long-term disability plan and a tax-free account, deducted from an agent's earnings, to cover the cost of day care for those children with working parents.

Pollack said that William Perraro, Prudential's senior vice president and chief company negotiator, had given union negotiators verbal assurance that he would put a halt to anti-union activity in district offices, end "abusive" interviews of agents, and improve the grievance procedure.

## IUD's Carlin Allen retires, headed coordinated talks

Carlin Allen, director of coordinated bargaining for the AFL-CIO Industrial Union Dept. since 1959, retired Sept. 30.

Allen, 62, joined the CIO in 1948 as an organizer and moved to the IUD after the AFL-CIO merger in 1955.

Under Allen, the program has grown to include more than 60 coordinated bargaining committees. It provides a wide range of services from information exchange to joint bargaining on behalf of participating locals.

# *Council report hails labor unity, charts new course*

**Continued from Page 1**

lost through loopholes opened up by the 1981 Reagan tax bill."

More important than to assign blame for the budget crisis, Kirkland stresses, is for the labor movement "to participate in the hard work of devising a solution that will help revitalize and restore hope to our nation."

In the Financial Report section, Sec.-Treas. Thomas R. Donahue notes an increase in the federation's net worth of $9,563,283 in the 18-month period ended last Dec. 31. The continuing effect of plant closings and massive layoffs is reflected in average per capita payments of 13,109,000 over the two years ended June 30, 1985.

In the section of the 351-page document dealing with "The Changing Situation of Workers and Their Unions," the council notes that the report issued last February has prompted self-analysis, discussion and planning at every level of the labor movement. Two of the report's recommendations—One-on-One programs to enhance membership participation and communications program to improve news-media relations—are already under way.

The council urges vigorous development of membership-benefit programs, training in new organizing approaches and establishment of multi-union organizing committees.

Other highlights of the Executive Council's report to the convention:

**Organizing:** Despite all impediments, worker interest in unions is widespread, especially in areas where cooperative organizing campaigns are located. Union-busting techniques orchestrated by "consultants" have inspired new creative organizing strategies, such as corporate campaigns. Because of the Reagan Administration's politicization of the National Labor Relations Board, unions are relying less on NLRB procedures and more on direct action by workers to gain organizing and contract victories.

**Collective Bargaining:** Spendable earnings continue to drop, but union wages and benefits far outpace those of unorganized workers. Many unions that gave concessions in 1981, '82 and '83 have begun to stabilize conditions, eliminate "two-tier" wage systems and restore lost wages. Emphasis on job security remains strong, and limits on plant closings are being negotiated. Litigation costs and delays in grievance handling led President Kirkland to appoint a national study group to develop procedures to cut costs, reduce delays and improve the quality of justice on the job.

**Pension Funds:** The AFL-CIO is operating a computer tracking project on stock holdings and other information on major multi-employer and state and local government pension funds. The council urges a range of actions to increase unions' voice in investment policies.

**The National Economy:** After comprehensive review of economic data, the Council concludes that the economy is in a "risky and uncertain condition" and that "economic and social mismanagement is reflected in four key deficits: the jobs deficit, the fairness deficit, the federal budget deficit and the trade deficit." To strengthen the economy, the Council recommends policies aimed at full employment; tax reforms that lead to a fair and productive tax system; lower interest rates to stimulate housing, small business, farming and public investment, and trade and industrial policies to achieve job-creating economic growth with balance and diversity, international competitiveness, national security and rising living standards.

The report presents detailed analyses of issues related to trade policy, tax reform and other areas, including monetary policy, immigration reform, state and local needs, housing, energy, the environment, consumer protection, transportation, farm policy and proposals for a constituional convention.

**Worker Protections:** Labor standards have been under attack by the Reagan Administration through legislation, administrative rulemaking and weak or divisive enforcement, the council declares, and the federal responsibility for health and safety on the job has been abrogated.

The council urges Congress and the Administration to restore protections of the Davis-Bacon Act, the Service Contract Act, the Walsh-Healey Act and the Fair Labor Standards Act. It calls for indexing the minimum wage at 60 percent of average hourly earnings in the private sector and for reduction of the standard workweek to 35 hours.

**Occupational Safety & Health:** Although OSHA has been committed to deregulation and nonenforcement of the law, the council reported that labor has largely succeeded in thwarting plans to weaken existing standards and has won important protection for workers at the bargaining table and at the state and local government levels. The council calls for renewed efforts and new initiatives to protect workers against job hazards.

**Workers' Compensation:** In the absence of a federal workers' compensation system, the council urges Congress to set minimum standards for state systems to assure prompt medical coverage and benefit payments to workers disabled by injury or disease at the workplace, while limiting employer liability and without raising the question of fault.

**Unemployment Insurance:** With seven out of ten jobless workers denied unemployment benefits and not a single state providing benefits to the long-term unemployed, the council calls on Congress to restore the system as a bulwark of protection for all jobless Americans.

**Pensions:** The council urges Congress to protect the retirement security of thousands of Americans in jeopardy because of spreading terminations of pension programs by companies to recapture "excess assets." It calls on Congress also to provide pension protection for new federal employees that is comparable to the existing Civil Service Retirement System and to require programs comparable to those in private industry for other public employees.

**Social Security:** With the social security program now on a sound financial basis, the council observes, this is the time to improve and strengthen it. The program should be removed from the unified budget and from the pressures of political appointees, general revenue funding should be introduced and inequities toward women should be corrected.

**Health Care:** Until a national health insurance program is adopted, labor will continue to work on all fronts to fight cutbacks in existing programs, to control costs and improve health services for all Americans, the council declares. At the bargaining table, in the community and in state legislatures, unions are making progress toward those goals.

**Welfare, Food Stamps and Child Nutrition:** Because of the Reagan Administration's policies, hunger in America has reached epidemic proportions and children and mothers are the nation's largest poverty group. The council calls for restoration of AFDC funding and food stamps to humane levels and urges unions, wherever possible, to establish child and dependent care services through collective bargaining.

**Education:** The council supports educational reform to provide rigorous, quality education for all students. It asks Congress to maintain support for preschool and compensatory programs and to resist cuts in aid for students in higher education. It urges unions to promote public funding of worker education programs and to seek representation on state vocational education advisory councils.

**Civil Rights:** The Reagan Administration is attempting to "tear away the foundations of civil rights laws and regulations, giving them the narrowest of interpretations or pushing to reverse them entirely," the council charges. It reaffirms the AFL-CIO's commitment to the elimination of all discrimination against women and pledges close cooperation with its traditional civil rights allies.

**International Affairs:** The council presents a detailed review of its relations with other national trade union centers and with the trade secretariats. It reports on its role in the anti-apartheid struggle in South Africa, both directly and through the International Confederation of Free Trade Unions. It reports on activities of the Trade Union Advisory Council to the OECD and on the federation's own overseas arms, the American Institute for Free Labor Development, the African-American Labor Center and the Asian-American Free Labor Institute.

Other topics covered in the council's report include Political Activities, Labor in the Community, State Legislation, and Labor and the Law. The council document also includes the biennial reports of the AFL-CIO's constitutional departments.

# Real earnings back to level of last year

The real earnings of America's workers stagnated in the past 12 months, with modest gains being eaten up by inflation, according to figures released by the Labor Dept.

The government reported that the consumer price index for urban wage earners went up three-tenths of 1 percent in September, 2.7 percent higher than the same month last year. The inflation rate for the first nine months of 1985 stands at 3.2 percent.

At the same time, the Bureau of Labor Statistics announced that real earnings increased seven-tenths of 1 percent from August to September. Compared to a year ago, however, inflation and real earnings ended up in a dead heat, BLS said.

Declines in prices for gasoline, used cars and automobile financing kept the increase in the CPI to moderate levels, even though heating oil, gas and electric prices jumped sharply. Medical care costs rose one-half of 1 percent for the third straight month, and are now 6.6 percent higher than they were in September 1984.

## Benefits adjustment

The CPI figures mean that the monthly checks of the nation's 16 million social security beneficiaries will go up 3.1 percent in January—the smallest increase since the government began linking benefits to the price index a decade ago.

The same 3.1 percent benefit increase will also be reflected in the January checks of retired federal workers.

The Internal Revenue Service also will make an upward adjustment of 3.7 percent in tax brackets, personal exemptions and the standard deduction to reflect the inflationary spiral.

Meanwhile, U.S. factory orders plunged a sharp 1.1 percent last month, due primarily to declines in primary metals, transportation equipment and defense-related industries. The Commerce Dept. said orders for durable goods totaled $106 billion in September, a drop of $1.2 billion from August.



FAST President Robert F. Harbrant calls for accelerated organizing activities.

# *Food-Service Trades endorse plan for stepped up organizing efforts*

**By Arlee C. Green**

Anaheim, Calif.—Labor must bolster its organizing efforts to meet the challenge of a changed workforce, delegates to the fifth biennial convention of the AFL-CIO Food & Allied Service Trades Dept. said.

The convention also reaffirmed its stance against the widespread employment practices of polygraph testing and blood, urine and genetic screening.

FAST President Robert F. Harbrant urged the delegates to "seek new frontiers on behalf of workers—organized and unorganized."

He said the department's 15 affiliates should embark on a "new coordinated bargaining" program and "plan an organizing thrust like this country hasn't seen in 50 years."

"Can we ignore the blatant truth that there are 90 million unorganized workers out there?" he asked the delegates in pressing for joint organizing campaigns against targets preselected on the basis of "solid research by FAST and the unions' organizers."

The delegates responded with resolutions reaffirming the commitment to organizing, noting the "vital relationship between organizing tenacity and successful organizing," and calling for the development of volunteer organizing committees in every local union. The convention ordered expansion of FAST's comprehensive organizing program which utilizes information researched about a company's finances and markets.

AFL-CIO Sec.-Treas. Thomas R. Donahue, in his convention address, strongly endorsed the organizing call. He pointed out that "clearly, there are workers out there who look to our unions for some kind of help who don't like what they see in the current context. We better take a look at this and shape the product to meet the needs of workers in new industries and new areas of the country and new jobs."

## Different approaches

He pointed out that organized labor must develop "multiple models for representing workers." Donahue noted that the Seafarers and the Bakery, Confectionery & Tobacco Workers represent their members differently. Labor must explore how best to attract workers in new employment centers and new jobs, he said.

A nationwide, joint organizing campaign in 1986 will target the insurance workers at Blue Cross/Blue Shield, Donahue said.

Don Gallin, chairman of the International Union of Food & Allied Workers' Associations, told the delegates that the member unions in Europe will begin a campaign in November against "one of the most powerful multinationals in the food industry—Unilever, for its job-destroying policies." A demonstration will be held at its headquarters in Rotterdam, Netherlands. And in Denmark, unions will jointly take on McDonald's Restaurants, "one of the most vicious, exploitative employers," Gallin said.

Jonathan Kolkey, author of a book on the New Right, told delegates that the New Right is made up of low- and middle-class citizens who have bought Ronald Reagan's social rhetoric and chosen to ignore how his economic policies are hurting them.

Over the past 20 years, there has been a severe decline in the standard of living in the United States, Kolkey said, stressing that the Administration has accelerated the pace.

This is due in part to the Administration's staffing of lower-level federal jobs with very conservative individuals. It has created an "attitude in Washington that union-bashing is all right," Kolkey said.

He called the labor movement the "last vestige of participatory democracy in America," and told the delegates that labor's challenge will be how to revive democracy in the nation, as the Democrats and Republicans alike "are paying homage to Corporate America."

Brian Freeman, a financial consultant who is working on the sale of Conrail, advised delegates how unions and their members can use their powers to combat the current waves of concessionary demands, plant closings and take-over attempts. He urged them to be more flexible and innovative in dealing with employers and to use the economic powers they have.

## Four-year cycle

Harbrant and FAST Sec.-Treas. Rhonda Hillyer were re-elected by acclamation to newly extended four-year terms to coincide with the rescheduling of departmental conventions to every four years, instead of two-year cycles.

Delegates expressed their disdain for the Reagan-backed youth subminimum wage, and the scheme to tax workers' benefits—a measure "as injurious to the nation's health as it is to the nation's welfare."

Other resolutions opposed any new excise taxes on alcohol, condemned South Africa's apartheid, deplored hunger in America and called for improved U.S. trade laws.

The delegates supported reductions in federal defense spending, urged full funding for Amtrak and mass transit, and favored a public sale of Conrail, rather than the deal

# Drive to strengthen unions backed by Michigan labor

Detroit—Union solidarity was at the top of the agenda at the 18th constitutional convention of the Michigan AFL-CIO, as more than 800 delegates came to grips with how best to strengthen the labor movement in the face of changing times and changing public attitudes.

"The Michigan labor movement is stronger, we are more united, we are better prepared to meet the challenges which face us than we have ever been before," President Sam Fishman said in his keynote address.

Challenging the Administration's claim that unions are a "special interest," Fishman declared: "Our interests . . . are the interests of all the working men and women of this state."

Expanding on the same theme, James Kennedy, administrative assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue, told delegates that the recent report on "The Changing Situation of Workers and Their Unions" is a tool to be used in evaluating and improving the labor movement.

"The central reality," Kennedy said, "is that a democratic nation cannot endure without the workplace democracy that results from a vibrant, democratic trade union movement. The issue is not whether the nation wishes to see American trade unions survive in good health but whether our democracy can survive if they do not. We obviously believe it cannot."

Delegates representing 47 different international unions approved resolutions calling for:

- Solidarity with fellow trade unionists in their struggles with management at Wheeling-Pittsburgh Steel, Phelps-Dodge, Continental Airlines and Trojan luggage.
- Full support of the Auto Workers members whose strike against Chrysler Corp. began as the convention opened.
- Opposition to Reagan Administration proposals to tax such worker life-support benefits as health insurance, unemployment compensation, workers' compensation and black-lung benefits.
- Enactment of a strong Michigan right-to-know law to protect workers and community residents from toxic hazards.
- Formulation of fair trade policies that protect American jobs.

Newly elected Connecticut AFL-CIO President Betty Tianti told the convention that labor must be willing to experiment with new methods of meeting workers' needs. She cited the recent organizing victory of striking clerical workers at Yale University as an example of union solidarity and the use of innovative techniques to accomplish workers' goals.

## Field staff organizer Jose Lopez dies at 53

New York—Jose Lopez, an AFL-CIO field representative, died of cancer here Oct. 18. He was 53.

Lopez, who came out of the Electrical Workers, joined the federation's national staff in 1967. In a series of assignments, he worked with the Farm Workers' organizing program in California and served with the American Institute for Free Labor Development in Central and South America.

AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue said in a letter to his wife Gloria that many farmworkers "benefited from Jose's total dedication to their cause." They praised Lopez's "devotion to working men and women in the United States and abroad."

In addition to his wife, Lopez is survived by three children.

# States get field sanitation role, but effective action unlikely

Labor Sec. William E. Brock's decision to turn over to the states the task of devising field sanitation standards carries no guarantee of safeguards for farm workers, the AFL-CIO said.

The Labor Dept. originally proposed federal standards in March 1984 but subsequently withdrew them. Under court order to come up with a plan insuring that field workers had portable toilets and clean water for drinking and handwashing, Brock announced "guidelines" for state action and gave legislatures 18 months to implement them.

When Congress passed the Occupational Safety & Health Act, said AFL-CIO job safety expert Margaret Seminario, "it did not envision a piecemeal, patchwork approach to the problem."

Farm workers, Seminario said, have been fighting for 13 years to pry a standard out of OSHA. Now, she pointed out, they are faced with "another delay, and with no assurance that the state legislatures will act."

The imprecise nature of the proposal came under fire from Charles Horwitz of the Migrant Legal Action Program.

"By being vague and unclear on just how many states would have to enact laws, Brock isn't letting us know what the ground rules are and he's hedging his bets," Horwitz stressed.

At present, 13 states have some form of field sanitation legislation on the books—California, Colorado, Connecticut, Florida, Idaho, Illinois, Maine, New Jersey, New York, North Carolina, Oregon, Pennsylvania and Texas—and action on similar measures is pending in Minnesota and Wisconsin.

In announcing the decision to turn the problem over to the states for resolution, Brock said that the states were "better able to regulate in this area" than the federal government, because they could "draw on their closer relationships with . . . growers and farmworkers" in devising appropriate standards.

Horwitz criticized this approach, declaring that "Mr. Brock might respect state lines, but diseases don't."

# American labor marks 30 years of unity

Continued from Page 1

craft. He'd helped install the plumbing in the Commodore Hotel, now the Grand Hyatt.

Reuther was the son of a gentle German-American socialist and trade unionist in Wheeling, W.Va. He came to Detroit as a young man, worked for a while for Ford Motors in Russia, returned to Motown and plunged into the task of organizing auto workers. During World War II he gained national attention with demands for conversion of auto factories to war production, which the industry had been resisting, and he frequently voiced broad-gauged plans to improve American life. In 1946 he was elected UAW president; and in late 1952 he succeeded Philip Murray as president of the CIO.

## Leaders in harmony

But though their differences had been many, the first AFL-CIO convention found the two men in complete harmony. Reuther told the 1,487 delegates from 135 unions: "Together, united in the solidarity of human brotherhood, we shall go forward to build a labor movement and a better America . . ."

Meany, elected to the presidency of the new AFL-CIO 10 minutes before noon at the convention's opening session, talked of the "feeling of elation" among the delegates "over the end of these years of division, and of the inauguration of this new united movement."

The AFL's Schnitzler was elected secretary-treasurer of the merged federation. In the merger negotiations, the CIO had turned down a suggestion that it hold one of three top positions, presumably that of an executive vice-president. Instead, the agreement provided that the CIO would nominate the first director of organization; he was John Livingston, an officer of the UAW.

## Bitter Years of Rivalry

The "years of division" to which Meany referred had indeed been long and bitter. The seeds of discord began to grow at the AFL conventions of 1934 and 1935 in a dispute over craft vs. industrial unionism. On Nov. 9, 1935, Lewis and seven other leaders of AFL unions announced the formation of a Committee for Industrial Organization to push their programs. From 1935 to 1938, relations between CIO and AFL became increasingly bitter. In November 1938, the CIO held its first convention and became the Congress of Industrial Organizations.

Working relationships between leaders of the two groups began to develop a bit more warmly during World War II, since wartime problems created the need for cooperation on a host of practical matters relating to governmental policy. But it was in the years after World War II that the notion of cooperation, if not full merger, between the two groups began to grow. There were five principal factors in this initially slow-moving trend toward unity:

**The passage of time**—The old industrial-craft union issue was starting to fade. The original and principal organizing goals of the CIO had been achieved. Craft unions, accommodating to new conditions and challenges, had begun to organize industrial union locals.

**New leaders of unions**—Many of the generation of union leaders who had participated in the harsh disputes in the years before and immediately after the creation of the CIO had retired from active duty. Their successors carried less emotional baggage from years past.




A moment in history as Meany and Reuther clasp hands beneath symbol of united labor movement.

**The CIO's expulsion of communist-dominated unions**— In 1949 and 1950 the CIO leadership brought charges, held hearings, and took final expulsion action against a dozen unions found to be Communist-dominated. The CIO took the action for its own reasons, but in doing so removed a major objection voiced many times by the AFL.

**AFL action against corruption**—The AFL took steps against a few unions charged with being controlled by corrupt elements. In doing so, it removed a symbol that had been anathema of the CIO leaders.

**Jurisdictional disputes machinery**—The CIO developed in 1951 a formal and pragmatic agreement governing the settling of jurisdictional disputes among signatory CIO affiliates. It provided that none of them would seek to organize workers represented by a union recognized by an employer, or which had been certified by the National Labor Relations Board as the collective bargaining agent for a group of workers. Nor, in organizing situations, was one union to make derogatory statements about another. Disputes within the agreement were to go, finally, to an impartial arbitrator.

Since much of the talk in previous AFL-CIO discussions had revolved around jurisdictional problems, the CIO disputes program, when it proved successful, suggested that the same principles could be adapted for use in some future negotiations between the federations.

Progress on the road to unity began to accelerate in the closing days of 1952. President Phil Murray of the CIO died in November, and was succeeded by Reuther. President William Green of the AFL died just a few days later, and was succeeded by Meany. Within a very short time, the two new presidents were talking—and talking about the possibility of unity in the labor movement. They agreed to reactivate the AFL and CIO unity committees.

The committees met on Apr. 7, 1953, and agreed that a no-raiding agreement between unions of the two federations would be an essential first step. With surprising speed, a tentative agreement was reached in June and formally adopted and signed in December 1953. It provided that any signatory union would respect, and refuse to undermine, the collective bargaining relationship of any other signatory union. By mid-1954, 65 AFL and 29 CIO affiliates had ratified the agreement.

## Unity plan endorsed

In Washington in October 1954 the joint unity committee rallied to a suggestion of George Meany that unity be negotiated the "short way," by bringing all unions into the new body in a process "which will preserve the integrity" of each of them. That proposal was quickly and unanimously adopted.

In February 1955 the unity committee hammered out the basic principles of an agreement—which overnight were placed into appropriate language by the two organizations' general counsel, Arthur J. Goldberg of the CIO and J. Albert Woll of the AFL, respectively. It provided for the "integrity" of all union affiliates, as well as general acceptance of the no-raiding principle and machinery to handle disputes.

The next step was to draft a constitution, a process which many feared might be slow going. But Goldberg—later Secretary of Labor, Supreme Court Justice and Ambassador to the United Nations—together with Woll, soon had a document ready. The first draft was submitted to a subcommittee on Apr. 2, 1955; with a few minor revisions it went to the full unity committee on May 2. The CIO board approved it a few days later; the AFL council voted its final endorsement in August. The stage was set at last for the unity convention, now scheduled for Dec. 5 and 6.

## Nationwide impact

To that convention, President Dwight Eisenhower —still at his Gettysburg farm recuperating from a heart attack—talked by telephone and hailed the merger as a "unique contribution to the general welfare of the Republic." And George Meany, closing the final session of the 1955 convention, "pledged to advance the cause of our country as something that is prerequisite to any improvement in the conditions of those we represent."

Ahead were years of change, of exhilaration and disappointment; the years of stimulation in the Kennedy era and legislative accomplishment in the Johnson years; of national disgrace in Nixon's Watergate; of disappointment in the Carter presidency; and of meeting the challenge of retrogression from social and economic goals in the Reagan Administration.

It was fortunate, indeed, that, on that December day 30 years ago, American labor responded to the challenge and brought unity to the community of labor.

# *7-week Philadelphia news strike ends, union solidarity credited for victory*

Philadelphia—"Good old-fashioned union solidarity" was credited with ending the seven-week strike against the Philadelphia Inquirer and the Daily News.

The victory, which provides a total weekly wage increase of $150 over the next four years, was announced by the Philadelphia Council of Newspaper Unions, representing the 4,700 members of nine local unions who struck the newspapers on Sept. 7.

The unity council comprises units of the Newspaper Guild, Typographical Union, Machinists, Graphic Communications Union, and the unaffiliated Newspaper & Magazine Employees and the Teamsters.

**The next issue of the AFL-CIO News will be published Nov. 9, 1985, because of the federation's convention schedule.**

**That issue will contain detailed coverage of the actions of the AFL-CIO's 16th constitutional convention.**

Hailing the settlement, which was ratified overwhelmingly by all nine locals, a unity council spokesman said the walkout was won because the unions stuck together.

While the contracts of each individual union are different, each provides an across-the-board increase of $37.50 a week in each year of the four-year agreements.

## Longest news strike

This will bring to $821 the weekly pay of reporters with five years' experience, $660 for journeymen pressmen, $644 for mailers, $620 for delivery truck drivers and $433 for messengers.

The strike was the longest in the city's newspaper history, eclipsing the previous record set in 1958 when the unions shutdown the newspapers for six weeks.

In Chicago, meanwhile, a walkout of some 1,200 members of ITU Local 16, GCIU Local 7 and Mailers Local 3 at the Chicago Tribune entered its fourth month with no further talks scheduled.

At issue in the strike, which began July 18, are company demands for a three-tier wage structure, abandonment of the pension plan, an end to the grievance procedure, and major changes in the health care plan.

Charges by the unions that the Tribune is engaged in union-busting gained support when the State of Illinois granted strikers jobless benefits, retroactive to Aug. 31.

Down the street at the Chicago Sun-Times, Guild Local 71 reached tentative agreement on a new contract, retroactive to June 1, providing pay increases of 5 percent each year for the next three years.

The Guild pact, now in the ratification process, also calls for increased company health insurance contributions, improvements in pension credit provisions effective in June 1986, and higher payments toward auto insurance and vacation bonuses for long-term employees.

Earlier, ITU Local 118 and the Sun-Times negotiated a six-year contract retroactive to January 1983. It provides for guaranteed annual wage increases totaling $150 per week over the life of the agreement, plus added contributions to the union's pension and hospital plans.

# Appeals court backs IUE on vacation claims

St. Louis—The 8th U.S. Circuit Court of Appeals has ruled that 160 former workers of Wagner Electric are entitled to vacation pay totaling $357,580 the company denied them when it shut down in December 1982.

The workers, members of Electronic Workers Local 1104, will receive checks averaging $2,000 covering the five or six weeks of vacation they had earned.

Wagner decided to permanently close its St. Louis plant and timed the layoff for December 1982. The company then argued that its workforce, with an average age of 55 and 30 years of service, did not qualify for vacation benefits, since the workers would not be on the 1983 payroll.

Arbitrator Harry Platt held that the workers were entitled vacation pay. "Management has the right to close its plants, but it may not evade obligations incurred prior to the closedown," he wrote.

But Platt's decision was challenged by Wagner and overturned by a federal district court. The IUE took the case to the appellate court which ruled in favor of the union.

# Metal Trades convention calls for speedy action to save U.S. shipyards

Anaheim, Calif.—Legislation is needed quickly to ''save the ailing shipyard industry,'' delegates to the 62nd convention of the AFL-CIO Metal Trades Dept. warned.

In urging the development of a comprehensive maritime policy and passage of laws requiring at least 20 percent of domestic cargo to be carried on U.S.-flag ships, delegates said Congress and President Reagan should recognize that American merchant ships and private shipyards are vital to national defense.

Convention delegates also underscored the need to return to basics by focusing on the MTD program of ''Organizing, Political Action & Legislation'' (OPAL), to meet the challenges facing unions today.

Growing concern that Reagan policies have put many of the country's shipyards on the brink of economic failure was echoed by several speakers, who pointed to the current build-foreign stance of the Administration.

## Reagan reneges

MTD President Paul Burnsky quoted from a 1980 speech. ''It is difficult for most Americans to conceive of the magnitude of our maritime decline. Today, the Navy is down to less than 500 ships; as for commercial shipping, the 500-odd ocean-going vessels flying our flag currently carry less than 5 percent of our own commerce. The availability of . . . foreign ships in time of crisis is problemmatical at best.'' This dire warning came from then-candidate Ronald Reagan, Burnsky told the convention.

Today, however, the figures are worse as there are only 400 U.S.-flag vessels carrying less than 3 percent of the nation's commerce, he added.

A confidential federal report, Burnsky said, shows the U.S. maritime industry has fallen below the ''minimum level of skilled manpower, engineering, management and component manufacturing capability needed to maintain a marine industrial base or to serve our country in a national emergency.''

## Grassroots effort

By mobilizing members in grassroots legislative and political efforts, Burnsky said, labor can make a difference in the kind of legislation coming out of Congress and in the 1986 Senate races.

AFL-CIO Sec.-Treas. Thomas R. Donahue praised the unions at Maine's Bath Iron Works where a 99-day strike showed how hard it is for workers just to keep even, as they fought an employer who conceded it was making money, ''but just not enough of it.''

The budget and trade deficits and the overvaluation of the dollar that makes it cheaper to build ships overseas and man them with foreign crews are the ''natural, predictable result of a trade policy, an industrial policy and a monetary policy devised and carried out by the Reagan Administration,'' Donahue said.

He stressed that the solution to the problems of ''America's plain people'' is not going to come from the Oval Office, but rather must come from the efforts of labor to advance the goals of workers.

Seafarers President Frank Drozak, head of the AFL-CIO Maritime Trades Dept., urged cooperation between the two departments to pressure Congress and the Administration to set a national maritime policy. ''We do not now have a maritime policy, nor do we have a positive national commitment to putting more cargoes on U.S.-built, U.S.-flag vessels,'' he told the delegates.

Drozak pointed out that U.S. shipbuilders have lost 270 ships to foreign builders under the Reagan Administration.

Rep. Glenn M. Anderson (D-Calif.) called the status of the nation's merchant marine and shipbuilding industries ''deplorable.'' He warned that America is at a crossroads ''where we either have to act quickly or face the severe and irreparable decline of our maritime industries and our shipbuilding capacity.

M. Lee Rice, president of the Shipbuilders Council of America, told the delegates the primary questions for the nation are ''whether we will accept the path down which the present maritime policy is taking the nation, and will we accept the major decline in our nation's security which inevitably results? The answers must be 'No.' There has been a ''major reduction in the overall capability of the industry and in the facilities available to it,'' he said.

## Membership role

As part of the OPAL program, the delegates called for MTD members to become more involved in organizing, that targets be more carefully selected and that unions experiment with more effective techniques.

In other resolutions, the convention voiced opposition to: taxation of worker benefits, contracting out of federal work, cutbacks in the railroad retirement system, amendments to the Hobbs Act that would allow federal intervention in labor disputes, and permitting foreign-built vessels to fly the U.S. flag under the Jones Act.

Delegates expressed support for the Phelps-Dodge strikers and for efforts to prevent repeal of the Davis-Bacon Act. They urged passage of legislation to eliminate double-breasting in the construction industry and condemned South Africa's system of apartheid, suggesting compulsory disinvestment there by multinational corporations, a ban on investments and on the sale of the Kruggerand.



MTD President Burnsky spells out action plan to save U.S. shipyards.

# *New Colorado leadership pledges legislative initiative*

Denver—In the first change in leadership in ten years, the Colorado AFL-CIO has elected Eldon Cooper of the Laborers as president and Ann Sutton of the Machinists as secretary-treasurer.

In balloting at the 16th biennial convention, Cooper, who is 58, defeated incumbent President Norman Pledger, 56, by a margin of 46,201 to 24,933, while Sutton bested Bob Knapp of the Rubber Workers to succeed Zelda Bransted, who retired after 11 years as secretary-treasurer.

A longtime lobbyist for the federation and a former state legislator, Cooper promised to open lines of communication with Republican party leaders in the House and Senate, reminding the 260 delegates of Samuel Gompers' credo that labor should ''reward its friends and punish its enemies,'' regardless of party affiliation.

## Train young leaders

The newly elected president also said that one of labor's highest priorities should be to train the next generation of union leaders.

Elected along with the two top officers were 16 new members of the 29-member executive board.

Delegates approved a constitutional amendment raising the per capita tax 5 cents to 50 cents a month to cover the financing of several programs.

The keynote speaker, Norman Hill, executive director of the A. Philip Randolph Institute, told delegates that labor's detractors are ''staging a funeral without a corpse.''

The challenges which confront today's unions, Hill said, ''are not unlike the challenges which the labor movement faced in our formative years.''

## Get involved

The goals of the labor movement, he said, are to increase its membership, tell its story to the community and get involved in politics. ''You only get what you take,'' Hill said, quoting Randolph, ''and you keep only what you can hold.''

Angered by an anti-union editorial cartoon in the Denver Post, depicting an overweight union member wearing an American flag upside down on his overalls, delegates marched to the newspaper to register their protest.

The convention approved resolutions supporting:

- A new public relations program.
- Labor's Community Agency which runs the state federation's social programs.
- The state AFL-CIO program to train jobless and dislocated workers.
- The state's Human Resources Development Institute.
- Existing workers' compensation and unemployment insurance programs.

# Flaws mark hasty plan to cut deficit

**Continued from Page 1**

other than social security benefits and make across-the-board cuts in ''discretionary'' government programs.

With the President adamant against tax increases, Denison noted, such a budget requirement would threaten such programs as job training, education assistance, mass transit, medicaid, and the array of construction grants.

Denison acknowledged the political appeal of deficit reduction legislation, which enables members of Congress to tell their constituents that they voted for a balanced budget.

The AFL-CIO, too, supports deficit reduction, Denison said. But ''we continue to oppose legislation which determines the future of federal spending before we know the future of human need in this country.''

Labor's objection, he stressed, is to a rigid process that that would subordinate consideration of the nation's changing needs to a mechanical deficit reduction formula.

But if Congress chooses to redesign the Gramm-Rudman measure, not just tinker with its provisions, Denison urged these guidelines:

- Flexibility to respond to a recession. Otherwise, as economic decline pushed deficit estimates higher, Congress would be forced to cut spending further or raise taxes sharply, thus pushing the economy into a worse downturn. Any deficit reduction plan ''must account for the effects of recession and allow reasonable opportunity for recovery in its timetable.''
- Revenue contributions to deficit reduction. ''It would be cruel to ask those who depend on the nation's already battered social programs to pay the major cost of deficit reduction when wealthy individuals and profitable corporations pay little or no taxes.'' Fairly applied revenue increases would contribute significantly to a reduced deficit.
- Broad-based spending cuts. If Congress chooses to apply across-the-board spending cuts to achieve its goals, the broadest possible base apart from social security should be used. Defense procurement should not be exempt.
- Strict limits on the power of the President to determine where cuts shall be made. Congress must clearly spell out its intent and narrowly define the presidential role.

Because the House never considered a comparable bill, which would normally be the case to bring about a House-Senate conference, it sent an oversized delegation of 31 Democrats and 17 Republicans to negotiate with the nine-member Senate contingent. After the opening meetings, the House delegation broke up into task forces to consider aspects of the legislation.

## Veto threat

Ironically, even as Republicans were trumpeting the virtues of balanced budget legislation, the White House was threatening to veto a deficit reduction package already approved by the Senate.

A letter from White House Chief of Staff Donald T. Regan to Senate Majority Leader Robert J. Dole (R-Kan.) termed the bill ''not acceptable,'' largely because it would bring in revenue as well as impose spending cuts.

''If some of the bill's provisions are not deleted,'' Regan said, ''the President's advisers will recommend that he not sign it.''

The provisions that upset the White House would keep the deficit down by making permanent the present temporary 16-cents-a-pack federal tax on cigarettes, pay the cost of toxic waste cleanup through a broad manufacturing tax, and authorize a new import fee to pay the cost of an expanded trade adjustment assistance program to help workers whose jobs have been wiped out.

A companion budget reconciliation measure is now before the House.

# Layoffs trigger CWA strike vote

Anaheim, Calif.—The Communications Workers executive board unanimously backed a strike authorization vote against AT&T Information Systems division.

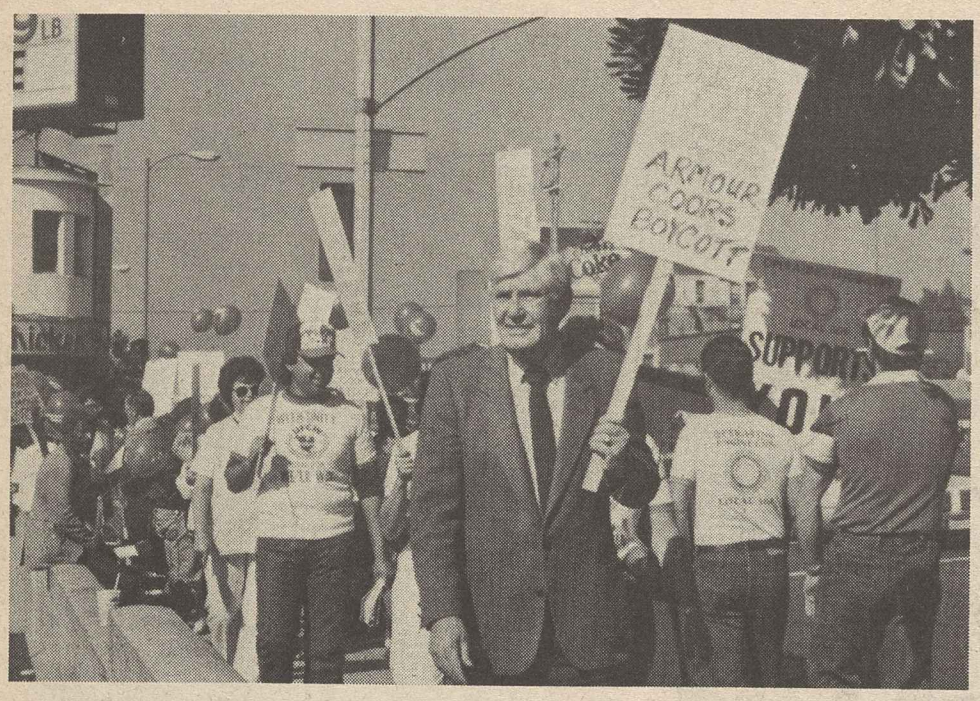
The CWA charged that the company violated its collective bargaining agreement when it continued to contract out work and announced plans to lay off nearly 24,000 workers, including 17,000 CWA members.

The referendum would authorize a walkout as early as Oct. 31.

The CWA noted that a letter of agreement from AT&T guarantees that union workers will not be laid off because of subcontracting or the company's divestiture in early 1985. The union proposed that AT&T's refusal to adhere to the agreement be subject to arbitration, but the company has refused, offering to arbitrate individual contracts only. CWA has 22 contracts covering workers at AT&T's Informations Systems unit which expire in Aug. 1986.

Citing the company's 1984 and 1985 profits, CWA President Morton Bahr called the planned layoffs unconscionable ''in the face of such profits and an extraordinary level of both overtime and contracting out.'' Bahr expressed little hope that AT&T would accept the arbitration plan, but noted ''neither side will benefit from a strike at this time.'' Bahr also noted that AT&T will be facing an increase of $100 million in unemployment compensation costs with the layoffs.

Some 50,000 CWA members will vote by secret ballot at polling places across the country. Ballots will be counted Oct. 30 and a strike date set no later than the first week of November.




## No sale

Southern California union members, led by Los Angeles AFL-CIO Executive Sec.-Treas. Bill Robertson, protest unfair practices of Armour Processed Meats Co. and Coors Brewery. Consumers, workers and students across the country held demonstrations at stores carrying Coors beer and Armour hot-dogs on Oct. 10—about the same time Coors uncapped its Masters beer.

### Now it's 'Masters'

# Coors tries new label to skirt beer boycott

**By Candice Johnson**

Coors is taking another crack at the beer market, this time under the "Masters" label.

In an attempt to broaden its appeal, Coors got Molson Breweries of Canada and Kaltenberg Castle Brewery of West Germany to lend their names to the formation of the Masters Brewing Co.

Masters beer will be brewed at Coors's Golden, Colo., plant, where members of Brewery Workers Local 366, an AFL-CIO directly affiliated union, struck the brewer in 1977 over human dignity issues and set in motion the successful Coors beer boycott. Initially, the beer will be available in Boston, Miami, Columbus, Ohio, and Washington, D.C.

Masters becomes the fourth Coors product which does not bear the Coors label. David Sickler, AFL-CIO National Coors Boycott coordinator, pointed out that the success of the union-organized boycott has forced Coors to reconsider its advertising and marketing strategies.

Sickler noted that before the strike and boycott 1976 was a record year for Coors, with the brewer selling a record 14 million barrels of beer in 11 states. It also had the lowest advertising budget of any brewer in the business.

### Flooding the market

But by 1984, while Coors had expanded sales to 46 states, it could only distribute 13 million barrels. Its advertising budget jumped to $139 million, the largest of any beer producer in the world. Sickler pointed out that the 13 million barrels doesn't reflect actual sales, but Coors' attempts to flood the market.

In California, where Coors once held 50 percent of the market, it now has slipped to around 16 percent. Even in its own backyard, Coors is losing ground, as Colorado sales that topped 47 percent of the market in 1977 now lag at around 20 percent.

Sickler said the tremendous success of the boycott is due to the widespread support of women, black and Hispanic civil rights groups, students and the elderly who oppose Coors' anti-union and anti-civil rights attitudes. Coors has increased efforts to clean up its image with minority groups, but has not been effective, with most of its plans dismissed as "window dressing."

### Boycott hurts sales

Even Coors officials have admitted the boycott has had an adverse effect on sales, especially in California, and in 1981, the company filed an antitrust suit to stop the boycott. The lawsuit, which named Sickler and northern California boycott coordinator Howard Wallace as defendants, was dismissed by a U.S. District Court judge in 1984.

The boycott began in 1978 after Local 366, on strike for more than 20 months, was broken by scabs crossing the picketline and voting to decertify the union.

In the 1977 bargaining sessions, the two sides had, for the most part, resolved economic issues. But Coors, which was requiring pre-employment lie detector tests and routine exams for workers already employed, was demanding sweeping changes in workers' rights on the job. Coors often used polygraphs as a substitute for arbitration, although supervisors were never required to take the tests and workers were asked questions about their finances, politics, even their marriages and personal lives.

# West Virginia hikes funding for COPE, communications

Charleston, W.Va.—Delegates to the 15th constitutional convention of the West Virginia AFL-CIO voted overwhelmingly to raise per capita dues by 10 cents per month, effective next Jan. 1.

The increase brings the monthly per capita to 60 cents, with 3 cents of the increase earmarked for the COPE Fund and 7 cents for an intensified communications program.

Republican Gov. Arch A. Moore, Jr., broke openly with the Reagan Administration over foreign trade and told cheering delegates that he disagreed with the President's rosy assessment of the job picture.

What the country needs in dealing with other nations is a program that will protect the jobs of American workers, Moore told the 350 delegates.

It was the first time in history that the state federation was addressed by a Republican chief executive.

Figures touted by the Administration showing that employment is rising in this country, the governor said, are faulty because most of the gain in jobs has occurred in the fast-food industry. "It takes five fast-food jobs to make up for one industrial job," Moore said.

In a call for a new spirit of labor-management-government cooperation in the state, the governor pointed out that West Virginia has led the nation in unemployment for longer than any other state in history. He added: "If we don't have jobs in this state, we ain't got nothing!"

Rep. Bob Wise (D) called for a campaign to rebuild West Virginia and America, and said that organized labor must be in "the vanguard of economic development," while Rep. Nick Joe Rahall II (D) assailed the White House for ignoring the problem of unemployment while fostering bigger and bigger defense budgets.

Delegates put their stamp of approval on resolutions calling for:

- Equity in tax legislation to close loopholes and relieve the tax burden on the poor.
- Passage of pending legislation to restrict plant closings.
- An end to the racist policies of the South African regime.
- Enactment of a law giving West Virginia public employees the right to organize and bargain collectively.
- Outlawing the importation of strikebreakers into the state during labor disputes.

President Joseph W. Powell and Sec.-Treas. Jack R. McComas were re-elected to new four-year terms without opposition.

Delegates elected three new vice presidents—Kenneth Purdue of the Sheet Metal Workers; Jan Courts, Communications Workers, and Harold Joyce, Oil, Chemical & Atomic Workers.

# Labor Dept. sets task force study of plant closings

Labor Sec. William E. Brock has appointed a 21-member task force to conduct a 13-month study of plant closings and consider proposals to deal with the problem.

The panel, to be headed by former Under Sec. of Labor Malcolm Lovell, includes six union representatives as well as members from management, universities and other fields.

Supporters of plant closing legislation see no contradiction between a study and the pending legislation requiring employers to give 90 days' notice of a shutdown or major layoff. The bill awaiting action by Congress also includes provision for an in-depth study by a bipartisan commission.

The labor members are Steelworkers Vice President Leon Lynch, Industrial Union Dept. President Howard Samuel, Clothing & Textile Workers Vice President Joyce Miller, Auto Workers Vice President Don Ephlin, Food & Commercial Workers Vice President Jay Foreman, and Tom Hickman, director of the manufacturing department of the Electrical Workers.

The task force was asked to complete its study by December 1986. In announcing the appointments, Brock said a changing economy will inevitably result in some worker dislocations. He said the panel will examine "causes and effects," and evaluate what is being done in this and other nations to deal with the problem.

# *Kansas delegates elect Moore, press for wider political action*

Topeka, Kan.—Delegates to the Kansas AFL-CIO convention here elected Dale Moore president, to succeed Tom Pierce, who did not seek re-election.

Executive Sec.-Treas. Ralph McGee and Wayne Maichel, executive vice president, were returned to office for four-year terms.

In other business, the 200 delegates launched a campaign to encourage union members to join in political activities on behalf of COPE-endorsed candidates, and attended workshops on election law and campaign finances. The state federation's "back to basics" campaign will develop grass-roots organizing techniques for the 1986 elections.

A legislative seminar that included members of the state legislature gave delegates an opportunity for question and answer sessions. A similar panel on farm and labor issues was held by the state farm-labor coalition.

Steelworkers Vice President Leon Lynch urged the delegates to continue their political education campaign and called for a renewed organizing effort throughout the labor movement.

Delegates called for Congress to enact the Textile & Apparel Trade Enforcement bill, which would limit imports of clothing and textiles. The convention also endorsed a "buy American campaign" and urged members to purchase union-made goods and unionized services.

Other resolutions strongly opposed attempts to tax workers on employer-provided benefits.

Convention speakers included Gov. John Carlin (D) and AFL-CIO COPE Director John Perkins.

# Schedule of Labor Studies Center courses

The George Meany Center for Labor Studies will offer 11 institutes, workshops and courses during November and December. The schedule:

**Union Administrator and Business Agent,** Nov. 3-8—A class for full-time officers on office management, budgeting, contract administration, reaching members and avoiding legal troubles.

**Using Micro Computers in Negotiations,** Nov. 10-15—An institute on using micro computers by union staff specializing in collective bargaining.

**In-House Opinion Polling,** Nov. 24-27—A seminar on polling techniques and membership survey.

**Advanced Arbitration Techniques** (at University of Oregon, Eugene), Nov. 3-8.

**New Staff,** Dec. 1-13—A two-week orientation for newly elected union officers and new staff members.

**New Developments in Collective Bargaining,** Dec. 8-10—A two-day briefing cosponsored by the AFL-CIO Dept. of Economic Research on key developments and trends in recent settlements.

**Representation Procedures before the NLRB,** Dec. 9-13—An institute on basic Labor Board rules and decisions on jurisdiction, appropriate units representing elections and related activities. Participants will prepare and handle a simulated board election hearing.

**Television: The Cool Medium,** Dec. 15-18—A three-day workshop to coach union officers on facing TV cameras and working with reporters.

**Organizing in the Construction Industry,** Dec. 15-20—An institute cosponsored by the AFL-CIO Building & Construction Trades Dept. on techniques of "salting" jobs, leafleting and picketing campaigns, unfair labor practice strikes and recruiting programs.

**Advanced Arbitration Techniques,** Dec. 15-20—A course on grievance arbitration cases, focusing on examination and cross examination of witnesses, preparation of briefs and researching issues.

**Arbitration: Preparation & Presentation Techniques** (at University of Illinois, Champaign), Dec. 8-13.

Four AFL-CIO affiliates will use the center's facilities for their own training programs during November: Teachers, Nov. 3-8; Flight Attendants, Nov. 12-15; Railway & Airline Clerks, Nov. 17-22; Service Employees, Nov. 17-22.

The Asian-American Free Labor Institute will sponsor a seminar for union editors from 12 Asian countries Nov. 3-27.

The African-American Labor Center has 18 union leaders from 16 African nations on campus until Nov. 8 for studies on trade union administration, comparative industrial relations and collective bargaining.

Forty trade union leaders from 18 Latin American countries, guests of the American Institute for Free Labor Development, will complete a five-week program Nov. 8.

The AFL-CIO Dept. of Information will conduct a labor-management symposium for media reporters, Nov. 12-15.

More information about these or other labor studies is available from Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903. Tel. 301/431-6400.

# EDITORIALS

## Continuing Challenge

WE HAVE ENDURED and still reel from the effects of the devastating Reagan Recession, and unemployment remains inexcusably high.

But the prevailing mood we have met throughout the AFL-CIO regional meetings has not been despair or hopelessness, but rather a determination to defend the principles in which this great movement for social justice and human dignity is anchored.

It has been heartening to see the enthusiastic response at all levels of organized labor to the latest report of the AFL-CIO Committee on the Evolution of Work, ''The Changing Situation of Workers and Their Unions.''

The report is the subject of healthy debate throughout the structure of the AFL-CIO. Those constructive dialogues are already producing results in organizing, in servicing members' needs and in collective bargaining.

Elements of the report are being creatively adapted to their own needs by national and international unions and their local affiliates. Many of the report's recommendations will be considered, debated and acted upon at this convention.

THIS YEAR, 1985, is one of many anniversaries. Some are cause for celebration, some for concern.

At this 16th biennial convention, the AFL-CIO marks with pride the 30th anniversary of the merger of the two great federations. The success of that merger through both calm and stormy waters proves the truth of the refrain from ''Solidarity Forever.'' This union has indeed made us strong.

This is also the 50th anniversary of the passage of the Social Security Act, and the 20th anniversary of the law creating the Medicare program.

Twenty years ago this year, organized labor was cheering the passage of an array of progressive new bills—to aid elementary and secondary, vocational and higher education; to provide housing, create jobs and establish health programs; to clean our air and water, guarantee voting rights and stimulate economic development in the most depressed rural and urban areas.

Today, we see those programs gutted by this Administration. We are fighting to keep human programs from disappearing forever under the weight of the $200 billion deficit inflicted on this nation, not by ''social spending'' as President Reagan contends, but by his own Administration's unfair budget and tax policies which have robbed the federal government of needed revenues.

It is also the 50th anniversary of the Wagner Act. But it is difficult to summon up any joy when we see the national labor relations laws abused and misused under the Reagan Administration and a flagrantly pro-management National Labor Relations Board that apparently regards its mission as the destruction of labor's Magna Carta in favor of a return to employer feudalism.

The AFL-CIO has demanded action to deal with the crushing federal budget deficits that are Ronald Reagan's legacy to this country. The answer lies in limiting defense spending to reasonable levels, in policies to increase employment and thereby boost tax revenues, and in restoration of some of the revenues lost through loopholes opened by the 1981 Reagan tax bill.

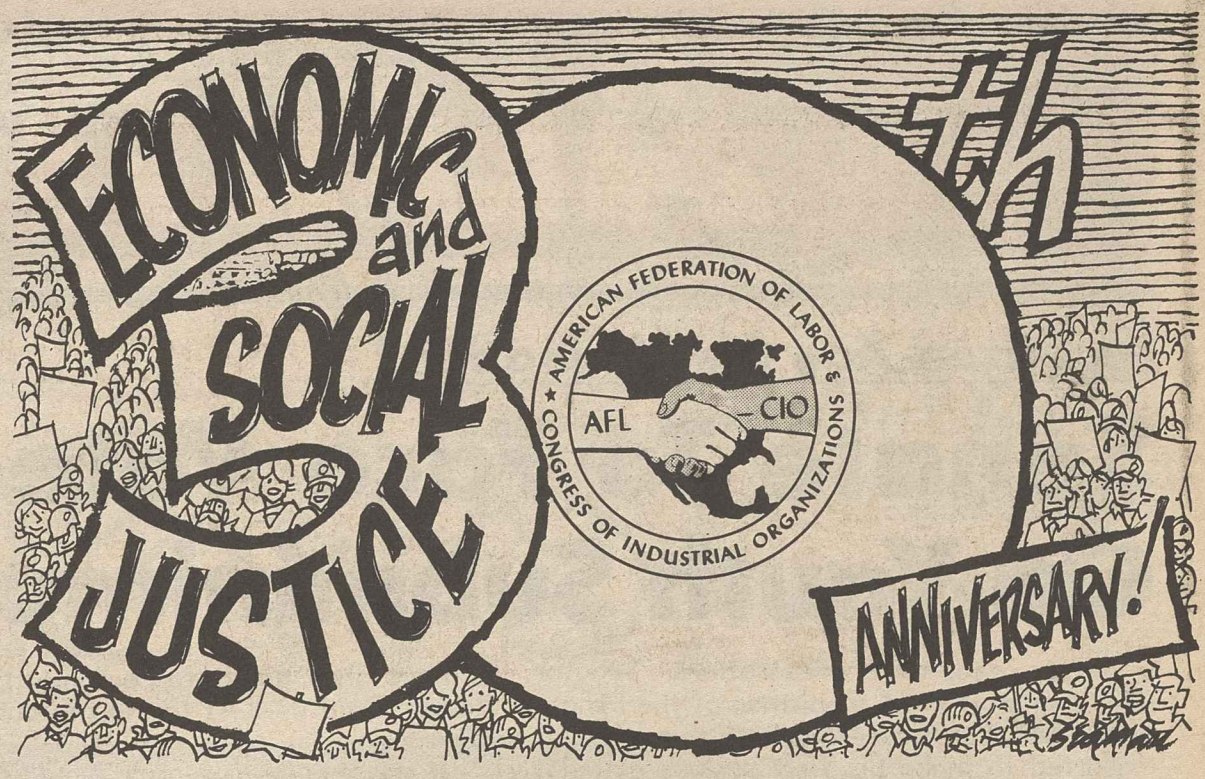
AS WE STRIVE to meet the challenges that confront us at home, we have also expanded our international work, mindful that in today's politically unstable and economically interdependent world, no easy separation can be made between our domestic and foreign problems.

The animating force in our international activities continues to be the defense and promotion of freedom of association, not only as the bedrock of free trade unionism but as the operating principle of democracy itself.

We know that in the absence of freedom of association, the people are powerless to defend their human rights against assaults by the state or by powerful private interests.

The American trade union movement is working to build international trade union solidarity . . . to strengthen workers' institutions, and thereby the foundations of democracy itself.

*—From AFL-CIO President Lane Kirkland's report to the 16th biennial convention.*




**Washington Window**

# Many willing to work, but lack job programs

**Press Associates, Inc.**

There is one thing the United States has in abundance and that is people able and willing to work.

The official jobless rate of just over 7 percent is a conservative measure, counting only those actively seeking and failing to find work. It represents 8.3 million unemployed. In addition, 1.2 million have dropped out of the workforce altogether. Another 5.6 million are on part-time involuntarily. Thus some 15 million people are unemployed or underemployed.

The Labor Dept. recently reported 1,448 areas as ''labor surplus areas.'' That means they averaged at least 10 percent jobless for two calendar years, 1983 and 1984. This qualifies them for preferred status in winning federal contracts. The idea is to steer work into areas with high structural unemployment.

The workers are there, yet high-level unemployment persists. It can't be the dole, because only one-third of the unemployed receive benefits. Alarms used to sound when unemployment exceeded 4 percent, but no longer. A ''labor surplus area'' used to be one with 6 percent or more jobless, but some manner of tolerance has raised this to 10 percent.

### Support lacking

Action by Congress on job creation requires bipartisan support, but that is lacking in the present conservative climate.

''At the heart of the conservative opposition to federal job creation initiatives lies the suspicion that the poor and unemployed are morally different from the rest of Americans,'' observed Sar Levitan, director of George Washington University's Center for Social Policy Studies. ''All this tells us a story of loose labor markets where millions of people cannot find full-time work. Clearly, unemployment is not due to the failure of the idle to seek work, as President Reagan asserts, but because jobs are not available for all whose who desire work.''

There are modest efforts, to be sure, but federal resources are extremely limited because conservatives look on federal programs as spending rather than investments. So the focus today is on job training and placement.

Labor Sec. William Brock recently hailed the restructured federal Job Training Partnership Act (JTPA) as ''a significantly effective tool for putting people in jobs and a model for human resource programs.'' Brock said that 68 percent of the 1.1 million youths and adults enrolled in the basic state programs who completed their training in the past two years had been placed in jobs.

### Reagan cutbacks

Instead of expanding JTPA, Reagan's budget request to Congress reduced it to $2.8 billion for fiscal year 1986 from the last year's budget level of $3.7 billion.

When the Reagan Administration sought to abolish the very successful Job Corps, a part of JTPA, its defenders in Congress saved the program because it works.

In a policy statement of the National Council on Employment Policy, a non-profit research group, Levitan and Peter Carlson found ''encouraging signs'' in the new JTPA, but also raised critical questions.

They said observers of JTPA are ''near-unanimous'' in charging that the Labor Dept. ''has virtually abandoned its responsibilities as a partner (with the states) in managing JTPA.'' Thus, each state has its own interpretation in implementing the program, they said, a situation apparently in conflict with congressional intent. Moreover, they said, there is no national audit guide on spending nor national technical assistance plan.

Levitan and Carlson stressed the need for federal leadership and the importance of the JTPA's Private Industry Councils at the grassroots. The success of a nationwide training and employment program depends on unions and employers becoming directly involved in helping dislocated workers and the disadvantaged become trained for worthwhile jobs.

AFL-CIO news

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Thomas R. Donahue, *Secretary-Treasurer*

*Executive Council*

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Murray H. Finley
Edward T. Hanley
J. C. Turner
William W. Winpisinger
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Marvin J. Boede
Owen Bieber
Morton Bahr

# AFL-CIO LEGISLATIVE ALERT!

## *Legalized Age Discrimination?*

# Senate To Face Vote On Youth Subminimum

After year-long preparations, Senator Orrin Hatch (R-UT), Chairman of the Senate Labor and Human Resources Committee, is expected to make his first serious attempt at enacting a youth subminimum wage law. The scheme, backed by the White House, would take jobs from older Americans and legalize age discrimination in the job market.

Hatch is expected to offer the measure as an amendment to H.R. 1534, a bill that makes permanent a temporary program of flex hours for federal workers.

With important budget, tax reform and other considerations pending, the Senate will be pressed for time to complete work. Members of the Senate are expected to filibuster the Hatch proposal if necessary -- a move that could force Majority Leader Robert Dole (R-KA) to step in and kill the measure.

If enacted, the program would encourage employers to fill their seasonal jobs by displacing youths over 19 and older workers from the jobs they depend on and replacing them with youths at $2.50 per hour rather than the present $3.35 per hour minimum wage.

## *We Told You So!*

### Caribbean Scheme Backfires, Worsening U.S. Import Crisis

As the AFL-CIO predicted back in 1982, the Caribbean Basin initiative is backfiring in the face of its chief proponent, the Reagan Administration. Sold to Congress as a program to help Latin American countries prosper and turn away from Communism, the plan gives islands like Jamaica preferred importer status into U.S. markets.

However, the program has made them attractive sites for other opportunistic countries like Taiwan and Hong Kong to relocate factories and make further inroads into U.S. clothing markets. The U.S. presently has quotas restricting the number of garments these strong industrial countries can import into the U.S. as a safeguard for American industries and jobs.

"We were attracted to Jamaica because there are no quota restrictions on this country's garment exports to the U.S.", says S.K. Wong, Director of Esquel Enterprises of Hong Kong. Besides Esquel, about two dozen apparel makers from Hong Kong, South Korea, Taiwan, and Singapore over the past two years have opened factories through out the Caribbean Basin.

### Imports Save Money, But Not For Consumers

Savoring their huge profits from selling low-wage imports, retailers are attempting to kill trade legislation by claiming that imports cost consumers less. But the facts speak otherwise.

According to John Meinert, Vice Chairman of Hartmax clothing manufactures in the U.S., "The high margins available on imported goods benefit those who import them. The differential is retained by the importer-seller, and the American consumer does not receive lower prices".

The Amalgamated Clothing and Textile Workers Union (ACTWU) has documented many instances where retailers today are selling American-made items along with imported "copies" under the same label, for the exact same price.

### More Bosses Cheat On Wages, Feds Look The Other Way

More employers than ever before are cheating their workers out of overtime or paying them below the required minimum wage, a recent Government Accounting Office (GAO) study reveals. And government agencies are looking the other way.

In a recent report to a House labor subcommittee, the government watchdog agency said that the Departments of Justice and Labor have been deliberately ignoring violations of the Fair Labor Standards Act.

According to a recent New York Times article, the maximum penalty of $10,000 for a first conviction is not considered significant by officials in the Justice Department. Therefore, they are reluctant to prosecute violations. This has caused the Labor Department to refocus its efforts on milder civil remedies, rather than criminal actions.

The GAO went on to say that recent Reagan Administration cuts in the Labor Department's staff and a Supreme Court ruling last February that expanded the F.L.S.A. to cover state and local government employees could worsen the situation.




### 269 Representatives Take Stand Against Tax On Worker Supports

Signatures of 269 Representatives have been put to the "Don't Tax Employee Benefits" resolution in the House.

Meanwhile, the House Ways and Means Committee is in the middle of shaping the President's tax package and Chairman Dan Rostenkowski (D-IL) is seeking new ways to fund the measure. This means employee life supports are still vulnerable.

Signing the resolution by Rep. Augustus Hawkins (D-CA) are 15 chairmen of key committees, 4 GOP House leaders and 49 of 70 Democratic House leaders. If your representative is not on this important resolution, contact him or her today.

# Gutting Of Executive Order 11246 Would Cripple Affirmative Action

A 22-year-old cornerstone of this country's equal opportunity efforts is under attack from elements in the Reagan White House. If successful, they could set the country's affirmative action efforts back a decade or more.

Executive Order 11246, issued by President John F. Kennedy in 1963, prevents federal contractors from discriminating on the basis of race, color, religion, sex or national origin. Its provisions require employers with contracts valued at more than $50,000 to examine their rosters and develop clear goals toward hiring more women and minorities if their workforce does not compare with the general availability of these workers.

The proposed change would eliminate the requirement that contractors set goals and timetables for hiring women and minorities. White House proponents are hawking it as a chance to eliminate an undesireable "quota" system.

However, E.O. 11246 does not impose any strict numerical requirements upon companies. Nor do contractors lose federal contracts if they fail to meet these goals, provided they demonstrate good faith efforts. Its actually a fair and flexible system that since 1963 has helped open the doors of opportunity for millions of minority Americans.

### *Poll Shows Americans Favor Actions Against Import Flood*

Pressure is growing across the country for lawmakers to stop the flood of imports and the economic havoc they are wreaking on U.S. industries and families. A recent poll taken by Lance Tarrance & Associates among Americans who voted for Ronald Reagan shows that over half now favor stepped up U.S. government efforts in the areas of competitiveness and trade.

When asked if the federal government should be more or less involved in protecting U.S. economic interests from foreign competition, a sampling of 1000 Reagan voters said we should be:

| | |
|---|---|
| **More Involved** | **59%** |
| **About Right** | **27%** |
| **Less Involved** | **11%** |
| **Unsure** | **4%** |

# Convention gears up drive for union growth, renewal

AFL-CIO news

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## Endorsement process gets new mandate

Anaheim, Calif.—The AFL-CIO will consider an early endorsement of a presidential candidate before the 1988 primary season gets under way, seeking a consensus within the trade union movement based on the desires of union members across the country.

That's the path that was followed in the last presidential campaign and there was strong support for its continuance.

Convention debate on the issue found overwhelming agreement that the high degree of membership involvement in the decision to endorse Walter F. Mondale for the Democratic presidential nomination had been good for the labor movement—and for the nation.

As was the case two years ago, a decision to endorse will require a two-thirds majority.

If there is such a consensus, the AFL-CIO and its state and local central bodies will participate actively in presidential primaries, caucuses or other forms of delegate selection. Whether or not there is an AFL-CIO endorsement, affiliated unions make their own decisions on the nature and extent of their political involvement.

The thrust of the resolution, and of the case made for its passage in the floor debate, was that the process itself had proved its worth in the last election.

''That process is based on membership involvement and consultation,'' the resolution stressed. ''It produced increased political education and participation within our ranks, solidarity among our affiliated unions, and a stronger, more effective labor movement.''

**Continued on Page 4**



President Kirkland and Sec.-Treas. Donahue after their re-election.

## Benefit concept adopted

# Programs reach out to wider membership

**By David L. Perlman**

Anaheim, Calif.—If the promise of the AFL-CIO's convention is achieved, the years ahead will bring trade union growth in fields of employment now barely tapped. There will be new and more enduring links between workers and unions, greater participation by members in union activities, and extra cash value in a union card.

Key resolutions and the floor discussion that highlighted their significance coupled the traditional trade union goal of ''organizing the unorganized'' with a commitment to new forms of outreach to today's workers—and tomorrow's.

The convention gave a green light to the AFL-CIO to put together a package of membership benefits—including low-cost insurance and consumer services—that unions could offer to their members.

Savings generated by the pooled buying power of millions of workers would make union membership immediately valuable. A convention resolution viewed the program as especially useful in building a proposed new category of associate members—union supporters not presently covered by a collective bargaining agreement.

Associate memberships, the resolution suggested, could include persons who leave a job in which they were represented by a union, who are victims of plant closings or layoffs, or who have supported the union in an unsuccessful organizing drive.

### Feasibility study

The feasibility study that backed the concept of ''providing direct services and benefits to workers outside of a collective bargaining structure'' was conducted by a staff drawn from the AFL-CIO and 23 affiliates.

One of its facets was a poll of members of AFL-CIO unions that found widespread support for the establishment of a benefits

**Continued on Page 4**

## *Actions focus on 'challenge of the future'*

**By John M. Barry**

Anaheim, Calif.—The AFL-CIO broke new ground at its 30th anniversary convention, pointing America's trade union movement to a path of solidarity and growth.

The federation's 16th convention followed through on the recommendations of the landmark report of the Executive Council—The Changing Situation of Workers and Their Unions—by approving innovative organizing strategies and a package of benefits ''to strengthen the bond'' between unions and their members.

The need for growth through organizing and adaptation to change was a central theme of the four-day convention, Oct. 28-31, as expressed in its slogan, ''Meeting the Challenge of the Future.''

Federation President Lane Kirkland noted in his keynote address to the delegates that ''we do face a great challenge, but not for the first time.'' He pointed out that the words of the convention slogan were drawn from the language of the merger constitution.

### Organizing potential

Kirkland acknowledged that overall union growth has been ''stymied'' in recent years by changes in the workforce, but he declared:

''The good news is that we have a hell of a lot more people to organize—and we do mean to organize them.''

The federation will do that, Kirkland said, in spite of the barriers and hurdles raised by the current ''yellow-dog'' National Labor Relations Board and the hostility of the Reagan Administration, which have ''drained the life'' from a national policy of encouraging workers to exercise their right to union representation.

''Of one thing I am certain,'' he said. ''We must do it by offering to the working men and women of America, not what this Administration wants, not what politicians want, not what their bosses want, not even what some of us may think they ought to want, but what they themselves really want from us.''

The 782 delegates also gave major attention to Administration economic and trade policies that have left a wake of devastated industries and continuing high rates of joblessness. It called for action to achieve the goal of full employment and ''reverse the disastrous decline'' in the nation's balance of trade.

The job-destroying impact of unrestrained imports was detailed by delegates representing workers in a cross-section of American industry. They took the floor in a steady stream to support the call for an overhaul of American trade policy.

**Continued on Page 3**

**LEGISLATIVE ALERT!**

PAGE 20

# *Organizing takes 'highest priority'*

**By Gene Zack**

Anaheim, Calif.—New approaches are essential to organize the unorganized and to counter the union-busting industry, AFL-CIO delegates concurred.

Declaring that organizing is ''a continuing obligation and challenge of the highest priority,'' a convention resolution called for:

- Flexibility in approaching new groups of workers.
- Developing job issues and contract proposals responsive to employees ''who may have values and needs different from those of current union members.''
- Developing new research techniques and new strategies and tactics for organizing both small shops and major units.
- Developing comprehensive corporate campaigns to help affiliates deal with recalcitrant employers, particularly multinational corporations.
- Training staff members to deal with organizing problems in such special sectors as white-collar, clerical and professional fields.
- Providing affiliates with information on union-busting consultants and studies of the impact of their methods.

The convention deplored the emergence of ''high-priced consultants, lawyers and others whose wares consist of cynical overt and covert strategies to coerce workers to turn against unions.''

''The goon squad, the club and the labor spy of the 1930s have been replaced by the modern union-busters' sophisticated and manipulative techniques,'' the resolution declared.

Such techniques, the resolution asserted, are equally ''destructive of free worker choice on union representation.''

The Reagan-appointed National Labor Relations Board administers existing law to make it ''an impediment to organizing efforts,'' the resolution said, calling for ''a thorough overhaul'' of federal labor laws to

**Continued on Page 2**

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New vice presidents are, from left, Milan Stone, Rubber Workers; Gene Upshaw, Professional Athletes; Robert A. Georgine, Building & Construction Trades Dept., and Larry L. Dugan, Jr., Operating Engineers.

# *Kirkland, Donahue get new terms, four new council members elected*

Anaheim, Calif.—Convention delegates re-elected AFL-CIO President Lane Kirkland and Sec.-Treas. Thomas R. Donahue to new two-year terms. Twenty-nine incumbent and four new vice presidents were also elected by acclamation.

The 33 vice presidents and the federation's two general officers make up the Executive Council, the AFL-CIO's governing body between conventions.

Newly elected AFL-CIO vice presidents are Larry Dugan, Jr., president of the Operating Engineers; Robert A. Georgine, president of the Building & Construction Trades Dept.; Milan Stone, president of the Rubber Workers, and Gene Upshaw, president of the Federation of Professional Athletes and executive director of the National Football League Players Association.

Those leaving the council include its senior member in terms of service, John H. Lyons, who has been seriously ill and stepped down earlier this year as president of the Iron Workers. Lyons had been an AFL-CIO vice president since 1967.

The others leaving are J.C. Turner of the Operating Engineers, a council member since 1977; Robert F. Goss of the Oil, Chemical & Atomic Workers, who was elected to the council in 1977, and Kenneth J. Brown of the Graphic Communications Union, elected in 1983. All recently retired as presidents of their unions.

Kirkland and Donahue are both starting their fourth terms.

Kirkland, 63, was the AFL-CIO secretary-treasurer for 10 years before he was elected to succeed George Meany at the 1979 convention.

"What you see is what you get," Kirkland told the delegates with a grin after the ovation that greeted his re-election.

He said he doesn't consider himself a "neoconservative or a neoliberal," just an "unreformed" and "unreconstructed" New Dealer who doesn't "list to either port or starboard."

Kirkland told the delegates that as a youngster growing up in South Carolina he was "nourished" by the New Deal era National Youth Administration and by the Merchant Marine Act. He earned his union card in the Masters, Mates & Pilots as a World War II merchant marine officer.

Donahue, 57, was a vice president of the Service Employees before becoming executive assistant to Meany in 1973. He served as Assistant Secretary of Labor in the Johnson Administration.

### Leading the way

"Whatever our problems have been," Donahue said, "this trade union movement remains the single most powerful force in this nation seeking the improvement of the human condition."

He said he will seek to assist Kirkland "in every way" and conserve the AFL-CIO's resources "to strengthen this movement and to improve the life of its members."

The re-elected AFL-CIO vice presidents are Thomas W. Gleason, Frederick O'Neal, Murray H. Finley, Albert Shanker, Sol C. Chaikin, Edward T. Hanley, Angelo Fosco, Charles H. Pillard, Kenneth T. Blaylock, Alvin E. Heaps, William W. Winpisinger, William H. Wynn, John DeConcini, Wayne E. Glenn, Joyce D. Miller, John J. Sweeney, Frank Drozak, James E. Hatfield, Barbara Hutchinson, Richard I. Kilroy, Vincent R. Sombrotto, Gerald W. McEntee, William H. Bywater, Marvin J. Boede, Patrick J. Campbell, Owen Bieber, John T. Joyce, Lynn R. Williams and Morton Bahr.

### New vice presidents

Larry Dugan, Jr., 55, succeeded Turner as president of the Operating Engineers in June after having served as a vice president since 1979. He came to Washington from Phoenix, Ariz., where he had been business manager of IUOE Local 428, and an officer of the city and state building trades councils and of the Arizona AFL-CIO.

Robert A. Georgine, 53, has headed the 15-union Building & Construction Trades Dept. since 1974 after having served as its secretary-treasurer for three years previously. He is a former president of the Lathers, which since has merged with the Carpenters. Georgine earned his journeyman's card in Chicago.

Milan Stone, 58, usually called "Mike," has been president of the Rubber Workers since 1981. He joined the URW in 1956 in Eau Claire, Wis., after World War II Navy service. Stone's first union office was shop steward, and he went on to become a field representative, district director and URW vice president. He is also a former president of the Eau Claire AFL-CIO central body.

Gene Upshaw, 40, has been president of the Federation of Professional Athletes and executive director of the National Football League Players Association since 1983. He was a union stalwart during his 16-year playing career with the Oakland (now Los Angeles) Raiders, as player representative for his team, first vice president and then president of the NFL Players Association. As an athlete, he was team captain, a nine-time selection as All-Pro offensive guard, and has three Superbowl rings.

# Delegates set high priority on organizing

**Continued from Page 1**

achieve their original goal of facilitating organizing.

In floor discussions, Vice President Leon Lynch of the Steelworkers urged unions to "pledge people, as well as finances, in order to pay for organizing expenses."

He said the task of reaching out to the unorganized is labor's prime objective.

President John J. Sweeney of the Service Employees said it's "harder to organize" in the present climate than it was a decade ago, but that an "organizing resurgence" could overcome the obstacles now in labor's path.

From 1982 through 1984, he said, the SEIU "brought only 80,000 people into the family of labor—less than half the number we organized from 1974 to 1976. And today we represent less than 10 percent of the workers in the service sector, where 90 percent of job growth is occurring."

Sweeney hailed the joint organizing drive being coordinated by the AFL-CIO among thousands of Blue Cross-Blue Shield employees, calling it "only a start" on the road to expanded efforts to bring union protection to more workers.

Sandra Feldman of the Teachers pointed out that management is spending more money to keep unions out "than they would have to spend if they let the union in."

Employers aren't just worried about their profits she said. "They are doing this because it is their ideology, because they want to keep the power to themselves, because a strong labor movement becomes a force for social and economic justice, for spending money on health programs, on programs for the aged, on education, for preserving social security.

### Labor's goal

"The last thing that these people want is economic justice," she said, "and the first thing that labor is about is economic justice."

Other floor speakers included Albin Gruhn, president of the California State AFL-CIO; Helen Verhage of the Somerset County, (N.J.) AFL-CIO; Vincent Sirabella, organizing director of the Hotel Employees & Restaurant Employees, and James J. Norton, acting president of the Graphic Communications Union.

The resolution also called on help for affiliates in established bargaining units that face concerted union-busting assaults. It cited in particular the "vicious, anti-union activities" of the Chicago Tribune, where 1,200 members of the GCIU and the Typographical Union have been on strike since July 18 because of management's intransigent demands for a three-tier wage structure and contract givebacks that would force abandonment of the pension plan, an end to the grievance procedure, and major changes in the health care plan.

Delegates also called on affiliates to cease informal alliances with unaffiliated law enforcement associations, pointing out that the existence of these groups thwarts legitimate organizing efforts.

# Bid to stifle unions spurs call for Hatch Act changes

Anaheim, Calif.—The convention called for political freedom for federal and postal workers and assailed the use of the Hatch Act to harass public employees and their unions.

Three union presidents are facing Hatch Act charges because of their active support of the Democratic presidential ticket last year—Moe Biller of the Postal Workers, Kenneth T. Blaylock of the Government Employees and Vincent R. Sombrotto of the Letter Carriers. Charges were brought even though all three are on leave without pay from their civil service jobs.

The resolution adopted called for a renewed legislative effort to amend the 46-year-old law which was intended to insulate career federal employees from political pressures.

During the discussion, John F. Leyden of the Public Employee Dept. charged that the case brought against the three union presidents was intended as a "not-so-subtle message" to "chill" political participation by federal and postal workers and their unions.

AFL-CIO President Lane Kirkland noted the "irony" that a law originally passed as "a good government move to protect the integrity of the civil service from the corruption of politicians" is now being used "to protect rotten politicians from the workers."

In other resolutions, the convention:

- Protested the repeated denial to federal employees of the pay comparability with private sector jobs that is supposed to be provided by law. In this and previous Administrations, presidents have regularly cut back the salary adjustments.

  Congress should tighten the law so as to make comparability pay standards mandatory if the President continues to flout the law, the convention said.

- Called for major changes in the federal labor relations law and urged that government workers be given "the clear right" to negotiate wages and working conditions. The resolution said the intent of the labor relations law has been "perverted" by the agency set up to administer it.

  In discussion, John N. Sturdivant of the Government Employees stressed that "whether you work for the public or the private sector, a worker is a worker."

- Spelled out the objectives to be sought in legislation establishing a supplemental retirement plan for federal and postal employees. Bringing the civil service under the social security system wasn't intended to diminish benefits for federal workers, the resolution noted.

- Asked legislation to require federal agencies to investigate alternatives to layoffs of workers and the closing of government installations. Federal employees and their unions should be brought into "a meaningful bargaining process" when cutbacks are being considered, the resolution said. It urged that seniority be reestablished as the deciding factor when reductions in the workforce are necessary.

# Federal ban urged on strikebreakers

Anaheim, Calif.—The AFL-CIO placed high priority on passage of legislation to bar employers from hiring permanent replacements for striking workers to restore the National Labor Relations Act's goal of assuring "good faith bargaining between equals."

Discharging workers amounts to "industrial capital punishment," delegates said in a convention resolution. It asserted that inflicting "that extreme penalty on employees because they seek decent working conditions makes a mockery of the promise in the NLRA to protect the right to strike."

President William H. Bywater of the Electronic Workers told the convention that although "strikebreaking has been going on for a great many years," this form of union-busting has reached an all-time high since President Reagan came to power.

When Reagan broke the strike of the Air Traffic Controllers, replacing them with new workers, employers took this as a signal that this was a path they could follow, with the result that "we are seeing strikebreaking like never before," Bywater said.

The resolution pointed out that the NLRA sought to achieve "a more balanced approach of good-faith negotiation between equals," and that it is "the possibility of an effective strike that makes the employer and his employees equal."

Whenever employers "permanently replace their acting employees," the resolution noted, "that equality, and the very right to strike, are mere illusions. The result is less good-faith employer bargaining, fewer fair agreements, and more industrial strife fought out in the harshest terms."

In addition to calling for legislation to correct the situation, delegates approved a campaign to make the public aware of the evils of strikebreaking, and pledged all-out aid and assistance to striking workers whose bosses seek to hire permanent replacements.

# Convention spurs union resurgence

## *Wide-ranging action plan keyed to organizing needs*

**Continued from Page 1**

The convention re-elected Kirkland and Sec.-Treas. Thomas R. Donahue along with 29 vice presidents. Newly elected as vice presidents to fill Executive Council vacancies created by retirements were Presidents Larry Dugan, Jr., of the Operating Engineers, Robert A. Georgine of the Building & Construction Trades Dept., Milan Stone of the Rubber Workers and Gene Upshaw of the Professional Athletes.

Constitutional changes were approved raising the annual salaries of the president and secretary-treasurer and clarifying the relationship of the federation to its various constituent bodies.

A highlight of the convention was the presentation of the George Meany International Human Rights Award to Ernesto Herrera, general secretary of the Trade Union Congress of the Philippines, for his courage in fighting repression of workers' rights.

In another major action, the convention voted to continue the consensus-seeking procedure adopted two years ago on endorsement of a presidential candidate. This will keep the door open for a pre-primary endorsement in the next presidential election if an early consensus is achieved.

In all, the convention approved a record 105 resolutions on a broad range of labor's concerns, including civil rights, women's rights, social welfare, labor standards, energy and environment, international affairs, and other issues.

Throughout the proceedings, the key resolutions were dramatized through video presentations by the Labor Institute of Public Affairs, a mark of the AFL-CIO's coming of age in the use of electronic media. Giant video projection screens were positioned in the convention hall for delegates.

The major issues confronting the labor movement also were highlighted in speeches by public figures, including Labor Sec. William E. Brock, House Majority Leader Jim Wright (D-Tex.), Sen. Alan Cranston (D-Calif.), Representatives William Gray (D-Pa.) and Esteban Torres (D-Calif.), Missouri Lt. Gov. Harriett Woods, and Los Angeles Mayor Tom Bradley.

Other major speakers included Mine Workers President Richard Trumka and NAACP Executive Director Ben Hooks.

### Foreign affairs

International concerns were addressed in speeches by John Vanderveken, general secretary of the International Confederation of Free Trade Unions; Jerzy Milewski, international representative of Solidarnosc, Poland's suppressed trade union organization, and the fraternal delegates, William Sirs, a member of the general council of the British Trades Union Congress, and Dick Martin, executive vice president of the Canadian Labor Congress.

The convention was attended by 782 delegates from 85 national and international unions, eight departments, 47 state bodies, 179 local central bodies, three directly affiliated local unions and two fraternal organizations. Ten of the delegates also had been delegates to the AFL-CIO's first convention, in 1955.

Proceedings were covered by a news media contingent of 250, and 97 foreign visitors observed the sessions.

## Delegates adopt clarification on ties of affiliates

Anaheim, Calif.—The convention approved constitutional amendments raising the salaries of the executive officers and clarifying the relationship between the AFL-CIO and its constituent bodies.

The pay increases, recommended by the Executive Council's finance committee, are the first since 1977 and represent about half the rise in the cost of living since then. They bring the president's salary to $150,000 a year and the secretary-treasurer's to $125,000.

The clarifying amendments:

- Make clear that national and international unions are autonomous organizations while organizing committees, trade and industrial departments, state and local central bodies and directly affiliated local unions are subordinate bodies of the federation.
- Bar from affiliation in the AFL-CIO, or any of its subordinate bodies, any affiliate that becomes part of an unaffiliated organization.
- Give merged unions credit for the per capita membership of each in determining voting strength at the next AFL-CIO convention and, when affiliates divide, give each credit for an appropriate share of the total membership.
- Establish an appeals committee to hear and decide appeals filed by central bodies and DALUs.

Another amendment makes it clear that payments to the officers on retirement are pensions for past service.



At federation's helm are Sec.-Treas. Donahue and President Kirkland.

## Gramm-Rudman proposition branded disaster for nation

Anaheim, Calif.—The Senate-passed Gramm-Rudman balanced budget legislation would be a national disaster, the AFL-CIO convention warned.

It would turn the next recession into a depression, abdicate constitutional powers of Congress to the President, and demolish essential government programs that have already been sharply cut back.

The resolution adopted by the convention pointed up the reliance of the Gramm-Rudman approach solely on spending cuts to achieve deficit reduction, and warned of the consequences.

"There is no provision in Gramm-Rudman to raise additional revenues by closing tax loopholes," the convention noted. "Thus, wealthy individuals and profitable corporations would continue to pay little or no taxes, while the disabled, the elderly, veterans and the poor all would suffer."

Programs especially vulnerable to further deep cuts include education, transportation, highway construction, mass transit, job training and postal services, the resolution warned.

Labor's assessment of the plan's dangers wasn't altered by the Senate's second-round of voting on the balanced budget proposal, which took place after the AFL-CIO convention.

The House had rejected the Senate's original plan and substituted a less destructive Democratic version. A deadlocked conference then caused the Senate to take a second look at the legislation it had so hastily passed as an amendment to a bill raising the federal debt ceiling.

But the Senate didn't blink. To the applause of the White House, it turned down changes that would have exempted some programs for the poor and elderly from new cuts. Ironically, even as Reagan was cheerleading the Senate version, Defense Sec. Caspar W. Weinberger and Sec. of State George P. Shultz were reportedly warning Reagan bluntly that the rigidity of the balanced budget measure threatened the national security.

### Reagan's deficit

In convention discussion of the resolution, President Gerald W. McEntee of the State, County & Municipal Employees questioned why Congress would want to turn over new budget authority to President Reagan, as the Gramm-Rudman plan would do.

Would Reagan use this power to help the poor, the disadvantaged or the elderly, McEntee asked. "What will the President do to educational programs?" he asked. "What will the President do for the wealthy?"

Reagan "created this deficit," McEntee charged, and now is trying "to put it on the backs of the workers."

## *Kirkland sees labor poised for strong growth*

Anaheim, Calif.—A trade union movement responsive to the needs of today's workers and open to fresh ideas is poised for a new spurt of growth, AFL-CIO President Lane Kirkland told the opening session of the convention.

Kirkland's keynote address rang with confidence that America's unions will once again confound "the crapehangers" who regularly proclaim labor's demise.

He acknowledged the "barriers and hurdles" to union growth.

Manufacturing employment is down, battered by job destroying imports, and there are fewer railroad and maritime workers. "A new labor force has grown up around us and the trade union share of it has dropped." A hostile Administration and its "yellow-dog" National Labor Relations Board are allied with professional union-busters, Kirkland noted.

But "the good news," he said, "is that we have a hell of a lot more people to organize—and we do mean to organize them."

"The trade union movement of America was not created by the National Labor Relations Board," Kirkland reminded the delegates. "We are going to outlast the bastards."

Labor's detractors to the contrary, Kirkland affirmed, the AFL-CIO has not been "idle, complacent or resistant to change and innovation" during the 30 years since the merger of the nation's two labor federations.

He cited the healing of internal divisions and establishment of a host of new programs. These have included job training and outreach, labor education and leadership training, pension investments to create jobs, a labor television service "responding to a widespread demand," creation of "a worldwide union foreign service," development of support groups strengthening labor's alliance with the black and Hispanic communities and reaching out to working women, senior citizens and young people. New AFL-CIO departments have led to greater cooperation among affiliates with shared interests.

### Expanding membership

Fifteen AFL-CIO unions, in expanding fields of employment, have more than doubled their membership since the AFL-CIO merger, Kirkland noted, even apart from inter-union mergers. Two unions that had a combined membership of 140,000 in 1955 have 1,480,000 members today.

"This is not the record of a stand-pat organization," Kirkland asserted. "It is the record of a movement that is open and receptive to new ideas from within or without for new and better ways to serve its members and the human community."

But Kirkland warned that the erosion of America's industrial base is trapping millions of young workers in low-paying service jobs, depriving them of admission to the working middle class.

For the first time, he said, we have a generation of Americans who don't expect to do as well as their parents.

Kirkland assailed the callousness of the Reagan administration to the persistence of recession level unemployment.

At the time of the AFL-CIO merger, he noted, the nation's jobless rate was 4.4 percent and that was considered too high. But President Reagan speaks of the persistent 7.1 percent jobless rate as an economic "miracle."

At the height of the recovery from the Reagan lowpoint, Kirkland pointed out, "unemployment is higher than at the very depth of the 1971 recession."

The Reagan Administration has brought with it "a level of tolerance for the pain of others, on the part of the secure and the comfortable, that would have seemed unthinkable not too many years ago," Kirkland charged.

The enormous trade deficit, Kirkland stressed, "is not just money. It is jobs—millions of them. It is the product not just of a strong dollar, but of a studied policy of this Administration" to "buy foreign and fire American."

Kirkland spoke with contempt of the "elegance" of a suggestion by the U.S. Chamber of Commerce that workers "will get off their ass and go to work" if they aren't given "a fat unemployment check."

He scoffed at the "borrow-and-borrow" policy of the Reagan Administration in matching big tax cuts for the wealthy with heavy military spending increases to generate budget deficits that are strangling government.

### Don't duck and run

But Reagan will have won his goal, Kirkland suggested, if a craven Congress ducks its responsibilities and runs to an unworkable balanced budget resolution.

Labor's tradition is to support its friends and oppose its enemies. But on some congressional issues, Kirkland suggested, "it is getting harder and harder to tell them apart."

Nevertheless, he stressed, "we have to stay active in every phase of the political life of this country and get better and better at it."

There is no choice, Kirkland said, because "we are involved for better or worse in the consequences of politics, like it or not."

# Delegates vote to renew endorsement process

**Continued from Page 1**

The effort to "again secure a representative and unified voice for America's working men and women in the nation's political process" will be undertaken "without prejudging whether or not our process leads to an early endorsement," the AFL-CIO resolution declared.

A film produced by the Labor Institute of Public Affairs recaptured highlights of the path to labor's endorsement of Mondale's candidacy for the Democratic nomination.

The AFL-CIO Executive Council had asked unions to hold off on presidential endorsements while the search for a consensus was under way, and to seek out the views of their members on the various candidates.

By the time of the General Board endorsement meeting and the AFL-CIO convention that immediately followed, more than 3 million union members had expressed their views through a variety of opinion-sampling procedures adopted by their unions. The consensus was there.

The pre-primary endorsement for the first time permitted state and local central bodies to participate fully in the nomination process, the resolution noted. It brought thousands of union members into voluntary political activity. And the Democratic National Convention found "a record number of trade union delegates...working together in common purpose."

In past presidential election years, an early run of primaries had often determined the outcome before most of the nation had an opportunity to participate in the selection of a candidate.

## Active involvement

Labor did not set up the procedures used by political parties to nominate candidates, the convention resolution noted. But "to be in a position to influence the political system," it stressed, "labor must understand and be actively involved in the day-to-day workings of that system."

In a lively floor discussion, delegates from a cross-section of unions gave testimony to the value of the procedure followed in the last presidential campaign.

Bricklayers President John T. Joyce cited election day polls showing that 61 percent of members of AFL-CIO unions voted for Mondale—some 20 percent above the population at large.

In his own union, he said, a poll showed that 80 percent of the membership supported the AFL-CIO's decision for early involvement in the presidential selection—including members supporting another candidate and two-thirds of the members identifying themselves as Republicans.

Food & Commercial Workers President William H. Wynn found a comparable reaction in a post-election poll of his union's membership.

"By 85 percent," Wynn reported, "they told us our union should be involved. We might not always agree with the recommendation that you make, but we should be involved."

The Sheet Metal Workers are still not convinced that an early endorsement is desirable, Delegate Lonnie A. Bassett told the convention. So while his union worked actively for the Mondale-Ferraro ticket in the presidential election, it opposed the resolution.

State, County & Municipal Employees President Gerald W. McEntee and Leon Lynch of the Steelworkers were very much for it. McEntee said the forging of trade union unity in the campaign was "labor's finest hour." Lynch stressed the labor movement's "responsibility" to provide leadership.

The resolution was adopted by an overwhelming voice vote, with only a scattering of "nays."

The convention also adopted a resolution calling on affiliates to work with COPE on registration, education and get-out-the-vote programs for the 1986 congressional and state elections.

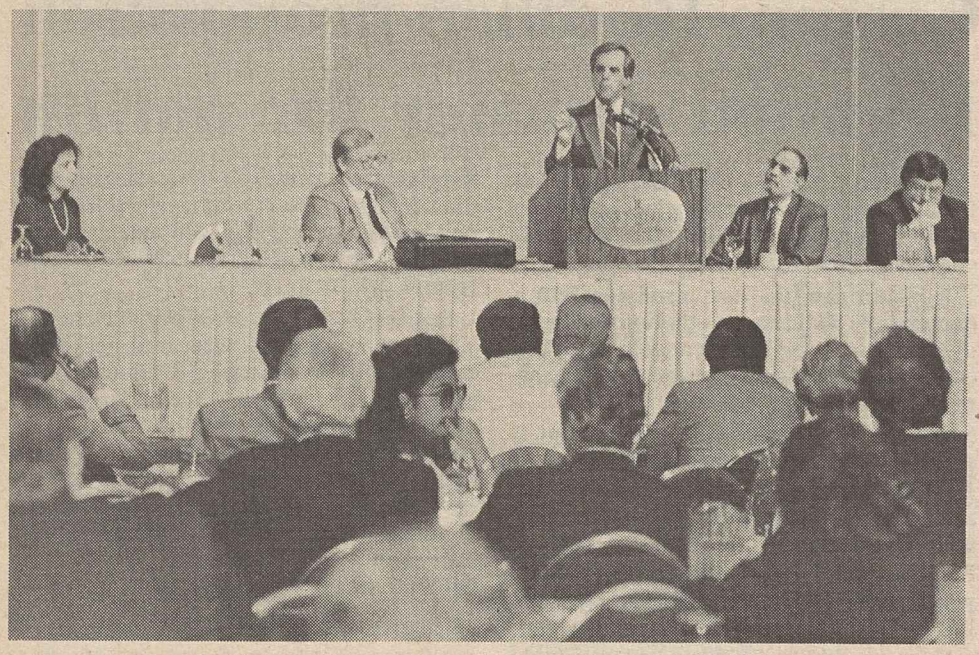
"We face a tremendous task," the resolution noted, "to roll back the strength of the anti-union right wing in the U.S. Senate while retaining Democratic control of the House."

## Checkoff urged

It urged greater promotion of the voluntary COPE checkoff, to narrow the big funding advantage of corporate and right-wing PACs.

A separate resolution reiterated the AFL-CIO's support of a federal postcard voter registration system and elimination of registration deadlines.

Because of inaccessible registration offices, unfair registration requirements, and early closing deadlines, the resolution noted, "every election year, millions of citizens are unable to vote because they are not registered."



Rep. Tony Coelho, chairman of the Democratic Congressional Campaign Committee, addresses COPE Operating Committee in Anaheim, Calif.

# Energy conservation policy asks alternatives to oil, gas

Anaheim, Calif.—Further weakening of federal energy programs exposes the United States to a repeat of the economic hardships of the 1970s and the threat to the nation's security caused by the oil import disruptions, the AFL-CIO declared.

A convention resolution outlined recommendations on conservation, alternate energy sources, natural gas and emergency programs to help secure America's energy sources in the future.

It called for increased funding for energy conservation programs, especially those for weatherization of low-income homes, schools and hospitals, the setting of energy performance standards for buildings and appliances, and mandatory mileage standards.

The federation urged "a strong research, development and demonstration program" as alternatives to oil and natural gas.

To counter the excessive increases in natural gas prices, it called for federal price controls based on the cost of production.

The Reagan Administration proposed an indefinite halt to the filling of a one-billion-barrel emergency oil reserve and still has no plan for distributing this oil in an emergency. The AFL-CIO urged that strategic reserve be filled at a rate that will achieve the one-billion-barrel goal in a reasonable time frame.

The federation also called for re-establishment of emergency presidential powers to prevent price gouging, ensure adequate oil for emergencies and to ensure supplies are fairly shared in the event of a shortage.

In other recommendations, it said Congress should continue to reject proposals to export Alaskan oil, called for increased funding for low-income fuel assistance, suggested an immediate moratorium on oil company mergers and acquisitions.

Extension of the Price-Anderson Act insurance program was urged to provide compensation to the public in the event of a nuclear power plant accident. Also the delegates suggested that "unnecessary obstacles" to the export of nuclear power plant components and fuel be removed in conformance with the U.S. nonproliferation policy.

The resolution noted that high energy prices are continuing to place a heavy burden on low- and middle-income families and the elderly. The Reagan Administration proposed to slash the energy aid to the poor and permitted deregulation of gas prices.

# Drug abuse strategy looks to rehabilitation

Anaheim, Calif.—Drug abuse costs the nation nearly $47 billion in lost wages and outlays for medical care and the punishment of drug traffickers, the AFL-CIO said, as it supported a national strategy to deal with the problem.

The program endorsed by the convention includes prevention, enforcement, international cooperation, medical detoxification and treatment, and research.

In a related resolution, delegates called for labor-management cooperation "to reduce the incidence of alcohol and drug use in the workplace" by improving working conditions, reducing the strain that leads to dependency, and rehabilitating workers with addictions.

They also urged Congress to investigate the escalating use of employee screening tests "to insure workers' rights and dignity," and to enact legislation if it finds that these rights are being abused.

# Labor's new directions point to broader role for unions

**Continued from Page 1**

program. Union members, the poll indicated, have confidence that their unions will be acting in the best interest of the members in putting together such a package.

The study found that "the insurance industry and financial institutions are interested in developing programs that could be offered on a federation-wide basis to union members."

It concluded that "by acting together, unions would be able to obtain a range of benefits and services, at favorable rates tailored to meet the special needs of workers."

While the benefits would be made available to all affiliates, the convention specified, each union would make its own decision on the extent of participation. The AFL-CIO would pay the start-up costs of such a program, but it would be self-financing thereafter.

In response to one of the recommendations of the "changing situation" report, the AFL-CIO is presently testing a one-on-one program of increasing membership involvement in three states. Consider expanding the program, the convention recommended to the AFL-CIO and affiliated unions.

## Major campaign

In another response, a multi-union program for organizing the health industry, with an initial focus on Blue Cross-Blue Shield employees, has already been approved by the AFL-CIO Executive Council. It deserves the support of every union member, the resolution urged.

Such campaigns, "established for a defined period of time and charged with the task of organizing the unorganized in a given area, industry or company," are the way to go, the convention affirmed.

Linda Puchala, president of the Flight Attendants, opened the convention debate by welcoming the AFL-CIO's "giant step of self-examination" but stressing that "we have a lot of work to do" to follow through on the new ideas and concepts.

"The new worker more often than not is female, is a minority, is well educated and is sophisticated," she said.

"Listen to them," she urged. "Listen to the new ideas, to the new aspirations, to the new problems."

The trade union's credibility, Puchala suggested, "is not only what we say as a labor union movement, but what we do."

President John Kelly of the Office & Professional Employees welcomed the inter-union organizing approach and cited as an example of success the campaign by nine cooperating unions that organized New York City's hotels.

## An experience

State, County & Municipal Employees President Gerald W. McEntee said it was "an exciting experience."to serve on the Executive Council committee that shaped the report.

"We talked about new approaches to represent workers," he said. "We talked about new issues, such as pay equity and career ladders and child care" and a "voice in the workplace."

Robert F. Harbrant, from the Food & Allied Service Trades Dept., welcomed the "new road" on which labor is embarking.

"We need to do more," he urged, "more organizing, more health and safety, more hiring of women and minority organizers, more campaigns that involve a number of unions."

The benefits program will help keep in labor's ranks the millions who at sometime have been union members, Rosemary Trump of the Service Employees said.

Teachers President Albert Shanker spoke of the large number of former teachers who, given the opportunity, would keep up union ties. In the early days of unionism, he noted, before collective bargaining was established as a national policy, fraternal benefits attracted workers to unions.

And so, with a lot of hope and goodwill, the AFL-CIO took another big step toward the convention theme of "meeting the challenge of the future."

# Ban on hiring illegal aliens urged

Anaheim, Calif.—The AFL-CIO called on Congress to limit the lure of U.S. jobs for undocumented workers by prohibiting the employment of illegal aliens and establishing tough penalties for employers who break the law.

The delegates also called for protection against employment discrimination "on the basis of national origin or legal alien status" and "the most generous, practical legalization program," for those undocumented workers who are long-time residents and contributing members of their communities.

The urged strict limits on the numbers of temporary non-immigrant foreign workers who could enter the United States and stressed that American working conditions and standards be maintained.

Farm Workers Vice President Dolores Huerta noted that some immigration bills under consideration in Congress would permit an expanded guest worker program and warned that temporary workers already were displacing Mexican-American farm workers in the West as well as black farm workers on the East Coast.

She called the temporary worker or "H-2" program an attempt "to establish a permanent apartheid program for farm workers in the U.S.," where foreign workers would be constantly victimized and American workers continually unemployed.

## Policy change demanded

# Soaring trade deficit poses new job threat

Anaheim, Calif.—With the national economy reeling under the impact of cut-throat foreign competition, the AFL-CIO reaffirmed labor's call for a strong trade policy that would promote "full employment and rising living standards."

Rejecting the Reagan Administration's "free-trade" theory, convention delegates voted unanimous approval of a resolution calling for immediate, coordinated action to "reverse the disastrous decline" in America's trade balance.

The convention acted as the Commerce Dept. was announcing a surge in imports that drove the U.S. trade deficit to an all-time one-month high of $15.5 billion in September.

At the same time, the government adjusted upward the trade deficit figures it had announced in the two previous months. For August, the department said, the deficit was $12.9 billion instead of the previously announced $9.9 billion, while the corrected July figure was $13.6 billion instead of $10.5 billion as announced earlier.

### Record deficit

With the continued flood of imports, the 1985 trade deficit will far outstrip the $123-billion loss racked up in 1984.

The United States is the only country in the world that "exposes its industrial foundation to unlimited erosion from imports," the resolution said. The result is that 2 million jobs have been lost to foreign competition since Reagan came to office and vital sectors of the economy have been decimated.

Noting the steep declines in the automobile, steel, textile and apparel, shoe, telecommunications, shipping and shipbuilding industries under the unremitting assault of foreign competition, the convention called for a policy that will make it possible for the nation to "retain its manufacturing, agricultural and maritme industries."

In the debate that preceded adoption of the resolution, a parade of union leaders went to the microphone to detail the dimensions of the problem.

### Crisis stage

The situation is "an absolute nightmare," said President William H. Bywater of the Electronic Workers, and "things are going to get worse before they get better." He discounted Administration claims that legislation to safeguard American workers and industries would invite retaliation from Japan. "The Japanese need us more than we need them," Bywater said. "We are their biggest customers."

President Sol C. Chaiken of the Ladies' Garment Workers warned that without "massive intervention" in the form of legislative restraints on trade, the trade deficit could soar past the $200-billion mark before the end of the decade. He put part of the blame for the problem on the "pervasive pursuit of profits" by the multinational corporations which move from one country to another in search of the lowest possible wage scales.

President Reagan's recently announced trade "initiatives" were denounced by Auto Workers President Owen Bieber who said they were "designed to head off legislation instead of addressing the problem" which has "sacrificed basic industries and our best industrial jobs on the altar of mythical free trade."

The present trade practices around the globe, Steelworkers President Lynn R. Williams said, are being orchestrated by managements which are "simply pitting worker against worker as they go out and seek the very lowest wages they can find anywhere in the world in any industry."

President Morton Bahr of the Communications Workers urged unions to support the trade measure even if they are "not directly impacted." Two years ago, he said, the CWA fit into that category, and merely gave "lip service to this problem." But since the breakup of AT&T, he said, foreign telecommunications manufacturers have invaded this market. "There will not be a single residential telephone set made in the United States next year," he added.

President James E. Hatfield of the Glass, Pottery & Plastics Workers and head of the Union Label & Service Trades Dept., urged labor not to be intimidated by the "protectionist" label. "What's wrong about protecting the industry that our members work in?" he asked. "What is wrong with telling Congress that it ought to be speaking for us and protecting us instead of protecting all of the other countries around the world?"

Delegates said that the overhaul of U.S. trade law should include:

- Relief from the unfair trade practices of dumping, subsidies and disruptive imports from non-market economies.
- An end to the practice of foreign governments of expanding their sales and employment at the expense of the United States.
- Easing import relief standards by recoginizing that plant closings and layoffs are proof of serious injury.
- Passage of domestic-content legislation for automobiles to force companies who benefit from access to our markets to provide a suitable number of jobs for American workers.
- Passage of the Textile & Apparel Recovery Act to "roll back imports to a reasonable and stable level."
- Legislative relief for the beleaguered American shoe industry, which President Reagan refused to grant despite recommendations of the International Trade Commission.
- Legislation to halt the flood of telecommunication products in the wake of the AT&T divestiture.
- Restoring the Trade Adjustment Assistance Act and providing adequate compensation for people left jobless because of unfair trade, with improved funding for training, job search and relocation and the extension of benefits to workers in supplier industries.



Ernesto Herrera accepts George Meany Human Rights Award from Kirkland.

# *Philippines union leader wins Meany Human Rights Award*

Anaheim, Calif.—"Democracy is on trial" in the Philippines, where the dictatorship of President Marcos stifles trade unions and denies justice to the people, Gen. Sec. Ernesto Herrera of the Philippine Trade Union Congress said on receiving the George Meany Human Rights Award.

Herrera accepted the award, the fourth given by the AFL-CIO, on behalf of the 23 officers of the Philippine labor movement who were murdered during the past year because of their support for "human rights, democratic trade unionism and democracy."

In making the presentation, AFL-CIO President Lane Kirkland hailed Herrera for his "great courage" in fighting the Marcos regime and his role on the commission which investigated the assassination of Benigno Aquino, where he led the majority which called for indictment of top military leaders.

Kirkland said the Philippine labor leader embodied George Meany's philosophy that the goal of labor is "to see to it that people without much power aren't kicked around by those with too much power."

### Assassinated unionists

Herrera, who read the roster of assassinated union leaders, told delegates that "they died for the cause of democracy," at the hands of the Marcos government and the communists.

Although the Philippine government has ruthlessly "stamped out democracy and suppressed human rights," Herrera pledged that "the cause of free democratic unionism, reverance for human rights and human lives, the supremacy of truth and justice must be proclaimed even more vigorously, despite all the odds."

Noting that there are some in the labor movement "who are losing their faith in democracy," Herrera declared: "It is not democracy that has failed us, it is some men who have failed democracy," adding that trade unions are "a good example of how democratic ways will finally triumph."

Today, he said, the Philippine labor movement is "fighting an uphill struggle for democratic unionism. The dictatorial Marcos regime cannot possibly like us. Nor can the communists in the guise of unionists, pseudeo-unionists in the commumist fronts and their armed supporters."

### Worldwide challenge

The challenge facing the labor movement around the globe, he said, is to "direct, with constancy and consistency, our dreams as well as our deeds to the fuller realization of the ideal that every individual member of the family of working men and women may have his or her dignity revered, not the subject of some autocratic or totalitarian state."

Herrera said that he accepted the George Meany award "to honor our common concern for democratic unionism, for democracy," adding that while he would keep the medallion, the $5,000 award which accompanied it "will go into the establishment of a foundation to fund the educational needs of children of martyrs at the altar of free trade unionism in my country."

Previous winners of the Meany award were Lech Walesa and Solidarnosc; Mangosuthu Gatsha Buthelezi, a leader of South Africa's black liberation movement and Dr. Neil Aggett, a white officer of the African Food & Canning Workers who died in a Johannesburg jail; Leo Cherne, chairman of the International Rescue Committee.

# Congress asked to bar banks from insurance

Anaheim, Calif.—Legislation is needed to prohibit banks from underwriting and selling insurance, the AFL-CIO convention declared.

Citing the potential loss of jobs through the undercutting of the existing insurance agent system, the convention voiced support for legislation to close the "South Dakota loophole," where the state permits its state-chartered banks to engage in financial activities that are forbidden under current federal law.

If the loophole is not closed, the resolution warned, there could be "severe loses of income, and even unemployment, for employees in the insurance industry" and consumers would be deprived of the personal advice and assistance of agents.

# Health cuts hit, cost curbs urged

Anaheim, Calif.—While a comprehensive national health care program remains the AFL-CIO's goal, the federation will continue to press for immediate action to control costs and fight cutbacks in existing health services.

The AFL-CIO cited high health care costs, diminishing access to care and uneven quality as firm evidence of the need for a universal health care system. It urged resistance to health care takeaways at the bargaining table, and urged unions to develop improved plans that reduce costs while preserving benefits.

The convention resolution examined the nation's skyrocketing health care bill, noting that more than $1 billion a day is spent on health care in the United States. Public health care programs, including Medicare and Medicaid, consume 12 percent of the federal budget, while the cost of private benefit plans doubles every five years, leading to rapidly increasing premium demands from insurers.

The convention found disturbing that in spite of these outlays, the number of people without health protection is growing rapidly, and includes large numbers of low-wage and jobless workers. Equally disturbing, the delegates found, is the growth of for-profit health care chains, which receive preferential treatment for their capital investment under the current Medicare reimbursement system.

The convention vowed to oppose further cutbacks in Medicare and Medicaid and denounced schemes that would set up individual medical care vouchers or "individual retirement accounts" earmarked for health care. The convention supported "the expansion of Medicare to provide coverage for prescription drugs, long-term care and other essential services."

### Cost containment

Specifically, the AFL-CIO called for federal cost-containment legislation to provide across-the-board health care cost containment at the state level while protecting the wages, benefits and other contractual rights of health care workers. The resolution urged that government assistance be made available to public hospitals, particularly inner city hospitals which serve the majority of low-income patients and called for legislation that would ensure that all hospitals do their fair share in providing medical treatment for the indigent.

The convention endorsed efforts to improve living conditions in nursing homes and to assure decent wages and working conditions for nursing home workers.

Speaking in support of the resolution, Service Employees President John J. Sweeney warned that rising costs "threaten access to health care as we know it."

"We know that patients and health care workers are not responsible for rising medical bills," he continued, "we know that most medical care inflation is due to the unchecked competition among providers, growth of profiteering health care corporate empires and misguided federal health policies."

Sweeney urged a unified labor effort to promote cost containment through collective bargaining.

The convention also recommended that:

- The federal government establish an emergency program to give unemployed workers and their families health insurance protection.
- Affiliated unions participate in local coalitions and join with community groups working to control costs and improve quality and guarantee access to health care.



# Star-studded labor history

Anaheim, Calif.—An evening with the performing arts, a highlight of the convention, featured labor history readings and union songs.

The event, titled "To Fight, Dream and Organize," was jointly sponsored by the Actors & Artistes and the George Meany Center for Labor Studies. It was a nonstop 90-minute visit with the past, as the words of generations of union leaders were brought to life.

Jessica Walter and J.D. Hall of the Screen Actors presented the hardships and concerns of "The Factory Girls" as described in an 1845 issue of the Pittsburgh Journal.

Former SAG President Ed Asner assumed the role of Eugene Debs, while SAG Vice President Joseph Ruskin gave voice to Samuel Gompers' thoughts on the organizing of the cigarmakers.

Ron Leibman, also a SAG member, performed his famous organizing speech as Reuben Warshovsky from the movie, "Norma Rae." And Norma Connolly, another SAG member, gave vitality to Mother Jones and her organizing efforts among the Mine Workers.

Janet MacLachlan and J.D. Hall, quoting from the documentary film, "Miles of Smiles, Years of Struggle," about the efforts of A. Philip Randolph to organize the Pullman car porters, brought that great cause to life.

Members of the Theatreworkers Project provided a glimpse of the pain of plant-closings, excerpting from "Lady Beth," a show about the closing of the Bethlehem Steel plant in Vernon, Calif.

Si Kahn of the Musicians interspersed a variety of old and new labor songs, ending the show with Solidarity Forever, joined by the entire audience.

# Curbs sought on evasion of pre-hire pacts

Anaheim, Calif.—Legislation to curb double-breasted tactics of construction contractors was given a strong endorsement at the AFL-CIO convention.

The labor-backed bill is aimed at contractors who sign standard pre-hire union agreements but then set up non-union subsidiaries that pay lower wages, provide inferior benefits and disregard labor standards.

As approved by the House Education & Labor Committee last summer, it specifies that a pre-hire agreement will be binding on all of an employer's operations unless workers vote to decertify a union. Rep. William L. Clay (D-Mo.) is a principal sponsor.

Its enactment is essential to preserve the collective bargaining structure of the construction industry, the resolution declared.

With the approval of the National Labor Relations Board, the resolution noted, double-breasted contractors have been able to avoid their collective bargaining obligations and deprive workers of their rights.

The convention also reaffirmed AFL-CIO support for common site picketing legislation that would allow a building trades union with a dispute against a subcontractor to picket at the job site as workers and unions in other industries can do.

The legislation is needed to overcome a Supreme Court ruling that restricted picketing rights at construction sites used by more than one employer.

## Memorial honoring FDR proposed by convention

Anaheim, Calif.—President Franklin D. Roosevelt restored hope to America with the New Deal and should be honored with a monument in the nation's capital, the convention urged.

It adopted a resolution calling on the AFL-CIO to seek action by Congress to honor FDR's "contribution to the welfare of our nation."

# *Public workers given support on retention of jobs*

Anaheim, Calif.—Government workers received the backing of the AFL-CIO against Reagan Administration moves to contract out work traditionally performed by government employees and against the "privatization" of governmental services, including the postal system.

The AFL-CIO position, reiterated by the convention, is that public work normally performed by public employees should continue to be performed by them. Likewise, work traditionally done by private-sector workers, should continue to be performed by private employees.

Charles W. Carter, a delegate from the Government Employees, told the convention that under Reagan "a group of carpet baggers has descended on Washington" in search of lucrative contracts, often "peddling scab labor."

A convention resolution called on the Executive Council to establish "a union committee on contracting out." The committee would examine the impact of contracting decisions on the workforce and on the quality and efficiency of services and products.

The convention also expressed the AFL-CIO's opposition to attempts to repeal the Private Express Statutes, which it noted "guarantee first-class mail delivery at universal rates" to all locations.

## Congress urged to pass curbs on lie detectors

Anaheim Calif.—Legislation to bar employers from using so-called lie detectors received a strong convention endorsement.

Polygraph devices, the resolution noted, have been used to intimidate workers and to pry into their personal life and union sympathies.

The convention urged Congress to act promptly on a bill by Rep. Pat Williams (D-Mont.) that was recently approved by the House Education & Labor Committee.

# Erosion of America's industrial base leaves deficits in jobs, trade, fairness

Anaheim, Calif.—The Reagan Administration's "unfair, anti-worker, anti-union, pro-business, anti-people economic and social policies" were strongly condemned by the AFL-CIO convention as it called for policies to rebuild America's eroding industrial base.

The Administration's "economic and social mismanagement" has created "four key deficits"—in jobs, fairness, the federal budget and trade—delegates said. They pledged labor's commitment to improve the health and diversity of the American economy, assure expanded job opportunities and strengthen social justice.

Even as the convention was calling for sweeping action to "lay the foundation for economic and social progress," the Labor Dept. reported that unemployment in October remained stuck at the 7.1 percent level, unchanged from the previous month.

The convention gave this gloomy assessment of the Administration's "regressive" economic policies:

**The Jobs Deficit**—Persistent and excessively high unemployment has been fueled by cutbacks in jobs and training programs, "unbalanced" fiscal and monetary policies and an "unrealistic approach to trade problems." As a result, 22 to 26 million American workers and their families lost jobs and income in each of the past five years.

**The Fairness Deficit**—This is the result of "help-the-rich, help-big-business" tax policies, compounded by assaults on protections for the jobless, social security and Medicare, education, consumer and environmental safeguards, consumer protection and equal opportunity.

**The Budget Deficit**—The deficit has more than doubled since Reagan took office, rising from $914 billion to over $2 trillion, because of "huge, irresponsible and unfair Reagan tax cuts that gave peanuts and crumbs to low- and middle-income families but opened more loopholes for big business, corporations and wealthy individuals to avoid their fair share of the tax burden."

**The Trade Deficit**—It has reached "crisis proportions" because of the Administration's "dream-world belief in mythical free markets and in an illusory free-trade theory." At the same time, the overvaluation of the American dollar has pushed up the price of exports while opening the door to a flood of imports. The result has been the loss of some 3 million American jobs to predatory foreign competition.

Declaring that "unemployment generates tremendous economic and social losses, not only in lost production but also in unpaid taxes and extra welfare and unemployment compensation payments" as well as "physical and mental illness, family breakdown, social alienation and crime," delegates put their unanimous stamp of approval on a national industrial policy that would:

- Bring labor, industry, government and public interest groups together in a formal strategy council to map ways to revitalize the industrial sector.
- Require firms benefitting from assistance to commit themselves to respecting workers' rights and to adhere to equal opportunity, occupational safety and health, and environmental standards.
- Encourages management, government and labor to contribute to the revitalization of all industries, rather than promoting "one kind of industry at the expense of others."
- Establish a national industrial development bank to finance loans and loan guarantees to support agreed-upon industrial investment and modernization programs.
- Provide a framework for overhauling and coordinating tax, trade, interest rate, job training and other policies to encourage productive investment at home rather than abroad, to create a diversified industrial base and prevent injury to domestic producers, to bring interest rates down to within reach of the consumer and growth-minded industries, and to provide "decent economic opportunities for all Americans."

During debate on the resolution, President James E. Hatfield of the Glass, Pottery & Plastics Workers accused the Reagan Administration of having "bastardized the system of corporate mergers," which has led to the subsequent shutdown of economically viable firms.

The system is being used "to make the rich a hell of a lot richer and make a lot of people suffer," Hatfield said. Mergers don't "create one new job," he insisted; instead, they provide tax writeoffs for the corporate raiders "at the expense of the working people."

Accusing President Reagan of being responsible for the "disgrace" of corporate mergers, the GPPAW president called for strengthening securities and anti-trust laws to "protect workers, consumers and local communities."

## To keep pace

President Howard Samuel of the AFL-CIO Industrial Union Dept. told delegates a broad-based industrial policy is vital if America is to keep pace with other countries which long ago adopted similar programs.

Adoption of the policy position recommended by the convention, Samuel said, will make it possible to "compete in the global marketplace" and protect workers and communities against the losses that come when American firms move their operations to low-wage countries.

The resolution focused attention on the plant-closing issue, calling for legislation to require advance notice to unions and communities and to remove tax incentives which encourage businesses to shut down. Such legislation should "protect workers' health and pension rights, provide training for dislocated workers," and provide other safeguards for workers and communities.

# Campaign for women's rights gains momentum

By Candice Johnson

Anaheim, Calif.—America's unions will aggressively fight discrimination against women and will pursue affirmative action, pay equity, equal opportunity and other remedies to help women workers break down barriers, the convention declared.

The convention resolution stressed that "there is still much needed legislation to promote and achieve women's rights," and advocated federal laws which would:

- Prohibit discrimination in insurance and pensions.
- Improve women's standing under social security.
- Provide better protection for women in private and civil service pension plans.
- Maintain and improve child care tax credits.
- Improve child support enforcement.
- Increase funding for Title XX day care services and for the Work Incentive Program to enable poor women to become self-supporting.
- Restore funds to Aid to Families with Dependent Children, food stamps, Medicaid and other programs where Reagan Administration cuts have severely harmed women.

The resolution urged women union members to participate fully in the activities of the Coalition of Labor Union Women and their unions and pledged the federation's support "to change laws, policies, institutions and attitudes to bring about equity and justice for all."

The measure also reaffirmed labor's support for a federal Equal Rights Amendment.

In speaking for the resolution, AFL-CIO Vice President Joyce Miller said reports of the gains women have made in the workplace stand "in sharp contrast" to the reality of working women's lives. Women earn 65 cents for every dollar earned by a man, she noted, and "two out of three working women are still concentrated in low-paying, dead-end, low-status jobs."

## Family responsibilities

Miller, a vice president of the Clothing & Textile Workers and president of the Coalition of Labor Union Women, stressed that the worlds of work and family are one and the same for millions of working women, with 52 percent of women with preschool children in the workforce and 10 million women the sole support of their families.

"We must address the problems of the millions of unorganized women of this country," she said, "to show working women through words and deeds that the path to equality is through a union contract."

Communications Workers President Morton Bahr applauded the convention's assertion that the concept of family is a trade union issue. Noting that some anti-union elements have altered the idea of family to fit a narrow-minded political agenda, Bahr stressed that "from the beginning, unions have bettered the lives of workers and their families. The broader challenge for us is to reclaim our role and translate those ideas into concrete improvements in the lives of women workers and their families."

In other action, the AFL-CIO pledged to continue its efforts to achieve pay equity for women through collective bargaining, noting the success of many AFL-CIO unions in winning back pay and compensation for women and minority workers who have been the victims of wage discrimination. It pointed out that unions have successfully bargained for joint union-management pay equity studies, elimination of sex- or race-based job titles, elimination of entry barriers to better-paying jobs, and the reform of job classification procedures.

The convention also urged participation with women's and civil rights organizations to address wage discrimination through litigation, legislative remedies and other appropriate activities.

Connecticut delegate John Driscoll termed pay equity for women workers a valuable organizing tool. He cited the successful organizing drive at Yale University by the Hotel Employees & Restaurant Employees, where pay equity was a primary concern.

Delegates from the Service Employees and State, County & Municipal Employees spoke in support of the measure, citing accomplishments of their unions in winning pay equity through legal action, state legislation and collective bargaining.

## Significant change

The AFL-CIO urged affiliated unions to continue their efforts in forming and supporting local union women's committees, and pledged to provide those committees resources and materials on working women's special concerns. The convention also voted to seek legislation establishing an annual Women's History Month.

The AFL-CIO Executive Council report found that the increase in the number of working women was "the most significant change in the U.S. workforce over the past 40 years."

"Bringing women workers the benefit of a collective bargaining agreement rates high on the labor movement agenda, as does full participation by women unionists in all aspects of the trade union movement," the report stressed.

# Delegates press for cleanup of nation's toxic waste sites

Anaheim, Calif.—Environmental legislation to prevent chemical accidents, increase funding for toxic waste dump cleanup and construction of wastewater treatment plants, and provide strict enforcement of existing regulations was urged in a series of convention resolutions.

Delegates also called on the Environmental Protection Agency to issue regulations on asbestos that require inspection of all public or commercial buildings and abatement of hazardous asbestos situations. In the absence of EPA action, Congress should consider legislation on asbestos, the AFL-CIO said.

Congress should continue to appropriate money for grants or loans to school systems to aid in asbestos abatement efforts and state governments were encouraged to continue their efforts at requiring inspections and abatement of asbestos hazards in buildings.

Noting that a "clean, healthy environment" is essential to maintain the quality of American life, convention delegates noted their alarm over the chemical accident in Bhopal, India, last December which killed more than 2,500 persons.

In a resolution, the convention urged the setting of emission standards for hazardous chemicals, and the monitoring and reporting of those emissions. For the more hazardous chemicals, the convention suggested safety performance standards for the equipment used in manufacturing the chemicals.

Right-to-know legislation was also recommended to require companies to make information available to communities about the chemicals used, produced or stored at company facilities and the dangers they pose.

Congress was urged to provide $10 billion to the Superfund for toxic waste dump cleanup, to order the Environmental Protection Agency to set mandatory cleanup schedules, to provide for adequate safety and health protections for workers doing the cleanup, and to provide for "effective redress and compensation for victims who suffer harmful effects from exposure to hazardous substances."

Strict enforcement of existing laws was sought to protect the public from the dangers of pesticides and toxic substances.

The convention also urged increased funding for wastewater treatment plants and opposed efforts to reduce federal spending for acquisition of land for parks and recreation, as well as the increase in user fees.

Attacks on the protections afforded under existing environmental laws, such as the Clean Air Act, were opposed.

The AFL-CIO urged expansion of recycling programs as an "effective alternative to legislation at any government level to restrict or prohibit the use of non-returnable beverage containers."

## Renewed support given Phelps Dodge strikers

Anaheim, Calif.—The AFL-CIO convention pledged labor's continued solidarity with the 2,400 members of 12 affiliated unions in their long strike against Phelps Dodge copper mines and smelters in Arizona.

Noting that the walkout began on July 1, 1983, delegates adopted a resolution accusing the company of having "prolonged the strike in an attempt to break the unions."

The convention noted with approval the action taken by the unions in forming a Phelps Dodge Task Force "to conduct a corporate campaign against the company," and promised the backing of the entire labor movement for this effort.

# Unions to bolster diabetes fund

Anaheim, Calif.—The AFL-CIO pledged to help raise "desperately needed funds for the advancement of a cure for diabetes, the nation's third most deadly disease.

Convention delegates noted in a resolution that 12 million Americans have diabetes and 35,000 annually lose their sight to the disease, which also contributes to heart failure, kidney disease and amputation.

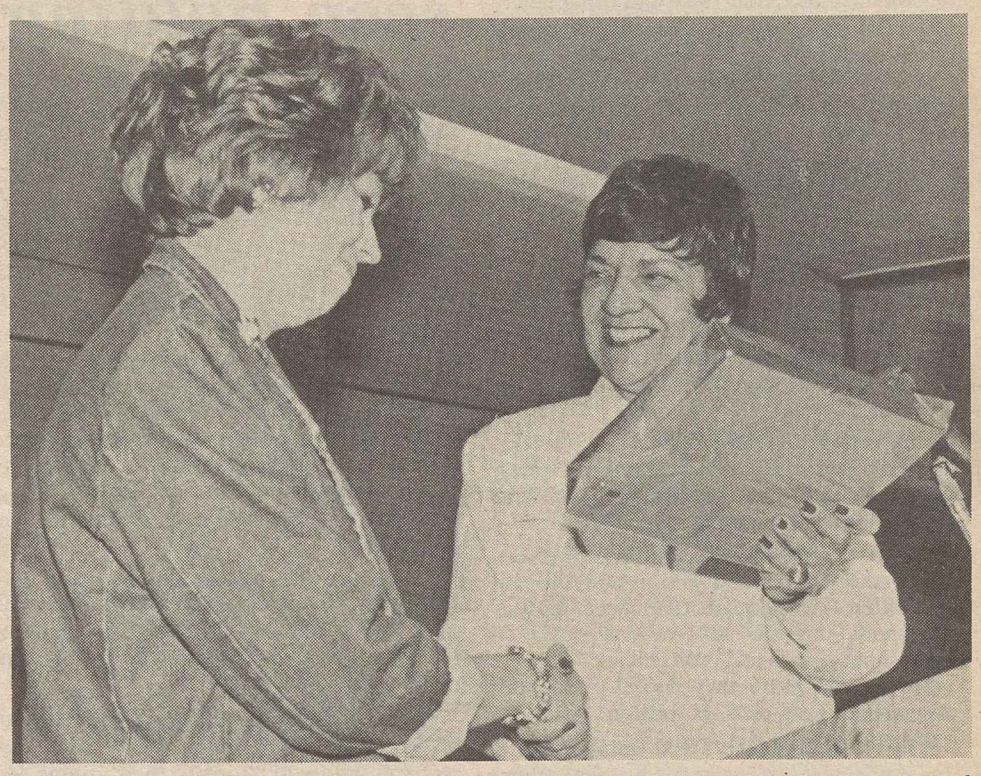
The resolution pointed to the efforts of the AFL-CIO Building & Construction Trades Dept. to raise $7 million to construct a Diabetes Research Institute at the University of Miami School of Medicine. The BCTD's fund-raising campaign is called "Blueprint for Cure."

The delegates adopted the resolution after seeing a short film on diabetes showing how devastating the disease can be. In the film was a 22-year-old woman made blind by the disease, a six-year-old girl who has had diabetes for a third of her life and a youth on a kidney dialysis machine who may eventually develop diabetes.

Delegate Gordon Brock of the Glass, Pottery & Plastics Workers related to the delegates the hardship of being a diabetic and urged passage of the resolution. So did California AFL-CIO President Albin Gruhn who told of the impact of this disease on his granddaughter.

AFL-CIO Vice President Patrick J. Campbell, president of the Carpenters, said the BCTD's program aims to "build a building where we can bring the greatest and the best brains in research to one central place."

BCTD President Robert Georgine, a newly elected AFL-CIO vice president, urged the delegates to get each of their union's members to contribute $1 to this program.



Joyce Miller presents CLUW award to Vicki "Mama" Lawrence, the star of Food & Commercial Workers' television commercials.

# CLUW steps up recruiting to reinforce drive for goals

Anaheim, Calif.—The Coalition of Labor Union Women has launched a nationwide membership drive to heighten public awareness of working women's concerns and increase CLUW's effectiveness.

CLUW President Joyce Miller announced the membership campaign as "a call to action to adapt our unions, our workplaces and the national policies of this country to a new generation of workers."

Miller, an AFL-CIO Vice President, said while CLUW was unable to match the financial resources or public relations efforts of the Reagan Administration, "we can get working women's stories out to counter the rhetoric and falsehoods about working women. We must tell our story every single day if we are to put to rest the myths and stereotypes that keep working women undervalued, underpaid and discriminated against in every way."

She stressed that CLUW members were especially qualified to "tell the story of what a union contract means to each of us as working women unionists."

Miller outlined the recruitment campaign, which will include local activities across the country, articles in union publications, media interviews with local union officers and public service announcements.

Miller also announced CLUW's plans for a national "Working Women's Awareness Week," beginning May 4, 1986, to focus public attention on working women's concerns, including pay equity, child care and affirmative action. CLUW chapters will be sponsoring film festivals, exhibits and other local events acknowledging working women's contributions.

The week-long celebration will follow CLUW's national conference on older and retired women workers.

CLUW, founded in 1974, has 18,000 members representing 59 international unions in 75 local chapters across the country.

## Labor's grass-roots lobbyists praised

Anaheim, Calif.—Involving union members as grass-roots lobbyists is the best way to make labor's voice heard in Congress and in the legislatures, the AFL-CIO said.

A convention resolution praised the Legislative Action Committee network that has been set up in a number of congressional districts and urged its expansion.

"The continuing success of this program demands the fullest cooperation of the state and local central bodies and their local union affiliates," the resolution urged.

It noted that the success of the congressional lobbying program has led many unions and state bodies to launch similar grass-roots efforts.

The convention suggested that the Labor Institute of Public Affairs and the AFL-CIO Dept. of Education provide training programs on grass-roots lobbying.

# Strong rules urged to save pension plans

Anaheim, Calif.—The AFL-CIO convention sharply criticized both the Administration and Congress for failing to come to grips with "a wide range of important pension issues essential to improving the retirement income protection" of workers in the private and public sectors.

Delegates scored the growing management trend toward terminating so-called "overfunded" pension plans to recapture, "for the employers' exclusive benefit," what corporations claim are "excess assets."

Congressional action is needed to halt this practice of "diverting pension fund assets to corporate purposes," a convention resolution said, because it is placing "the retirement security of thousands of Americans in jeopardy."

In public employment, the convention said, current pension programs are "inadequate" and only federal legislation can guarantee state and local government workers retirement protection "comparable to that given employees in private industry."

At the same time, the resolution noted that legislation enacted in 1983 will bring newly hired federal employees under social security for the first time. It supported the position of federal employee unions that the supplemental system being devised should, in tandem with social security, provide benefit levels comparable to those of the existing civil service retirement system.

## 'Disincentives' needed

The convention took a close look at the government-operated Pension Benefit Guaranty Corp. and concluded that its single-employer termination insurance program has liabilities that "greatly exceed its current assets."

The resolution urged that employers' premium rates be increased and that "strong disincentives" be enacted to prevent wholesale terminations.

As far as state and local public employees are concerned, the convention said, current regulation is inadequate and federal legislation should provide "long-needed protection against the abuses and deficiencies" of those who run the more than 6,000 plans with assets in excess of $250 billion.

"No comprehensive and uniform set of legal principles exists to adequately regulate state and local government plans," the convention said. Workers who "are directly affected by public pension decisions are rarely involved in the decision-making process."

# Pledge to Liberty

**Anaheim, Calif.—Recognizing the Statue of Liberty as "a symbol of a nation built by working people of all races, creeds and nationalities," the AFL-CIO pledged support for the restoration projects under way on the monument and on Ellis Island, where millions of immigrants entered America.**

**The resolution urged affiliated unions to participate in fund-raising efforts and develop special activities to celebrate the statue's centennial in 1986.**

**Labor supporters have contributed more than $130,000 to the drive, with contributions from local unions, state labor federations and international unions.**

**The convention also called for the federation to step up its education programs to better inform the public about the valuable contributions of immigrant workers and organized labor's role in improving the lives of working Americans.**

**The restoration projects offer an opportunity "to educate America to the great contribution the American labor movement has made in building this country and bringing a measure of freedom and justice, not only in the workplace, but in the country as a whole," said Sec.-Treas. Jay Mazur of the Ladies' Garment Workers.**

**On Liberty Island, union crews have been working around-the-clock, six days a week to complete repairs in time for the monument's 100th anniversary celebration in 1986.**

# *Labor's outreach initiative seen holding broad appeal*

Anaheim, Calif.—Through their unions, American workers will win "a fair share of the benefits and a full voice in shaping their future," Missouri's Democratic Lt. Gov. Harriett Woods predicted.

Woods hailed the convention's decision to use new and innovative organizing techniques to reach the millions of still-unorganized workers, calling the decision "forward-looking and future-looking."

The federation's work in keeping in touch with the "common sense and the concerns of the people at the grassroots" is vital, Woods said, because in this era when workers are better educated and a little more skeptical than at any time in history, "they want more of a voice in their jobs and in their unions."

These are the people, Woods told the delegates, who understand that in the words of Solidarity Forever, people can achieve more together "than the feeble strength of one."

She noted that a key organizing target will be service jobs predominantly held by women, who will "look to their unions for role models, people they can relate to," union leaders who understand their needs.

"They need to see that the union is a place where they can speak out, to better their working conditions and achieve their goals," she stressed.



Harriett Woods

Woods cited polls which show that 75 percent of workers, organized and unorganized, agree that unions can improve their wages and working conditions, and 80 percent are confident that unions will protect their rights.

Woods acknowledged that labor has "an image problem, because people are afraid and think they are not going to benefit," but she expressed confidence that it can be offset by the AFL-CIO's stepped-up organizing drives and grass-roots campaigns.

Attempts to blame U.S. wages for lack of American competitiveness can't hold up under close scrutiny, she said.

"When labor asks for a piece of the pie, it's not trying to take away something from others, but rather to create a bigger pie for everyone," Woods said, noting this is in sharp contrast to narrow special interests who would take away benefits and insist that "we have to have less and must fight over the scraps."

Woods was elected Missouri's Lt. Governor in 1984 and is the highest ranking Democrat in the state. She is a former member and shop steward of Newspaper Guild Local 47 in St. Louis.

# Wright vows to battle for benefits, jobs

Anaheim, Calif.—A two-pronged pledge to American workers—to protect their fringe benefits from taxation and their jobs from unbridled foreign competition—was brought to the AFL-CIO convention by Rep. Jim Writght (D-Tex.).

Wright said that the House of Representatives, which he described as "the last remaining bastion of democracy in this embattled government of ours," would resist Reagan Administration attempts to levy new tax burdens on "the hard-won benefits workers have gained through their unions."

Delegates thundered their applause as the House majority leader declared:

"As long as there are 65 major corporations in this country which among them accumulated total profits of more than $50 billion in the last three years and paid no taxes at all, we are just not going to vote to put taxes on the fringe benefits of labor contracts."

Wright sharply criticized the Administration for trying to "shrink, stifle and starve" the domestic portion of the federal budget while continuing its unbridled defense spending.

## Industrial base needed

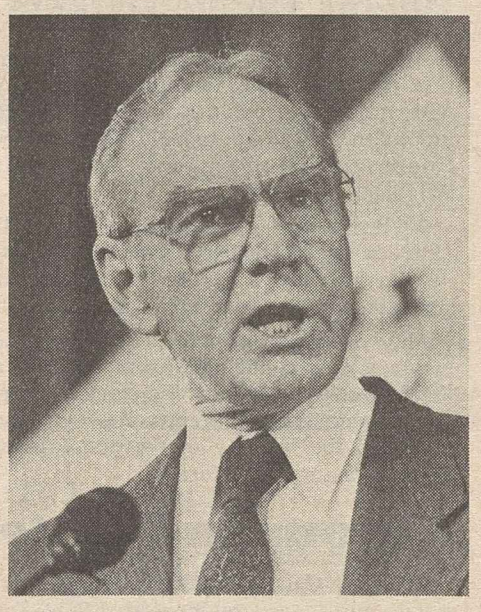
"National security is not just a matter of so many weapons, so many missiles in the ground, so many rounds of ammunition," he said. "National security depends upon an industrial base here in America. National security depends upon education of America's children. National security depends upon a workforce that's employed."

The Administration, he said, is guilty of "a tragic rerun of the thinking processes" of the Coolidge and Hoover Administrations, which has brought about the current economic decline.

"This past year," Wright told delegates, "we have seen more home and farm foreclosures than in any year since the Great Depression. We've seen more bank failures already this year than in any year since the Great Depression. We have seen more small business bankruptcies than in any year since the 1930s."

The erosion of the American industrial base hits all sections of the country and all segments of the economy, Wright said.

"It isn't just the old rust belt," he declared, "it's the sun belt. It isn't just heavy industry, it's the high-tech industry," adding that unless the trend is reversed the nation faces "recolonization and de-industrialization."



Jim Wright

# Workers need greater role in pension fund investments

Anaheim, Calif.—Pension fund assets exceed $600 billion and represent the "largest pool of capital in the U.S. economy today," the AFL-CIO convention declared, as it called for an enlarged labor role in the management of these funds.

"The prudent investment of pension funds to better the life of the nation's workers is not only proper, it is essential," delegates asserted. "The pension plans covering union members have originated almost exclusively through the collective bargaining process and represent capital generated by the labor of working people."

Not all of this deferred compensation is "invested in ways that will benefit our members," the convention said, largely because most AFL-CIO unions do not have a voice in the investment decisions.

In approving a series of resolutions, the convention urged affiliates to:

- Gain access to the decision-making process in their role as collective bargaining agents.
- Encourage pension funds to exercise their shareholder rights as part of larger campaigns to advance worker interests in the areas of collective bargaining, occupational health and safety, plant closings and in support of labor's effort to force South Africa to abandon its policy of apartheid.
- Support the efforts of public employee unions to have state and local government pension funds invested in ways that will strengthen local economies and provide affordable housing.
- Conduct information and training programs for union pension fund trustees to make them aware of the findings and recommendations of the AFL-CIO Committee on Investment of Union Pension Funds and to share strategies, research and investment mechanisms developed by other unions.
- Use the AFL-CIO Housing Investment Trust and other vehicles to direct pension investment toward union-built construction.

Affiliates have already put over $120 million into the Housing Investment Trust, delegates noted, and thus have played "an important role in providing competitive investment yields for unions and pension funds while creating union jobs and providing American families with home financing."

## Medical care safeguards backed for flight attendants

Anaheim, Calif.—Legislation now before the House of Representatives to require improved medical kits on commercial aircraft and liability coverage of flight attendants was supported by the AFL-CIO convention.

In a resolution, the delegates noted that flight attendants are often called upon in emergencies to administer first aid and that it would be "unreasonable to hold them liable for such care." The resolution noted that such a move would be in the best interest of the traveling public.

# Effective consumer protection termed vital

Anaheim, Calif.— Consumers have a right to honest and adequate information about the products they purchase, the AFL-CIO said.

The convention's consumer rights resolution called also for fair terms of credit and insurance contracts, protection against unfair monopoly pricing, and both safeguards and redress against dangerous and defective products.

The federation also averred its continued opposition to the "unwarranted powers" the Office of Management & Budget has claimed for itself "to interfere with agency rulemaking to the detriment of consumers and in behalf of the Administration's business allies."

The Reagan Administration's deregulatory efforts will also be opposed when they enable business to escape its responsibilities to consumers, the convention warned.

The delegates voiced their support for adequate staffing and budgets for consumer agencies and called for assurances that these agencies will act with "independence and integrity in advancing and protecting the consumer interest.

# End of double-standard on income pressed in program for tax justice

Anaheim, Calif.—Labor's program for tax justice called for plugging the gaping loopholes in the federal tax structure and ending a double-standard that taxes workers' wages at higher rates than unearned income from investments and interest.

It called on Congress to reject proposed "reforms" that would create new inequities by taxing workers on the value of their health insurance and other employer-provided benefits.

The resolution adopted by the convention was highlighted by a floor discusssion that pointed up areas of special labor concerns.

Victor Gotbaum, who heads the New York City district council of the State, County & Municipal Employees, and New York State AFL-CIO President Edward J. Cleary both spoke with concern of the damage to public services from disallowing state and local taxes as deduction on federal income tax. It would hit residents of the state with an average 18 percent increase in their federal tax bill, Cleary said.

Page Groton of the Boilermakers and Francis Frost of the Professional & Technical Engineers noted that threats to union-won job benefits are being paraded as "tax reform."

Paperworkers President Wayne E. Glenn and Ron Richardson of the Hotel Employees & Restaurant Employees cited the tax avoidance record of big and hugely profitable corporations and the greed of the business community for still more loopholes.

Machinists President William W. Winpisinger contrasted the big tax break the Administration plan would give to people in President Reagan's income bracket with the tax increase that would hit an IAM member, with a working spouse, one child, buying a home and earning a combined income of $35,000. Their tax bill would go up 20 percent, he said.

### 'Escape hatches' hit

The convention resolution called for reinstatement of the corporate income tax as a principle source of revenue and elimination of "so-called incentives that subsidize mergers, takeovers, plant shutdowns, overseas investments and other activities that conflict with the national interest."

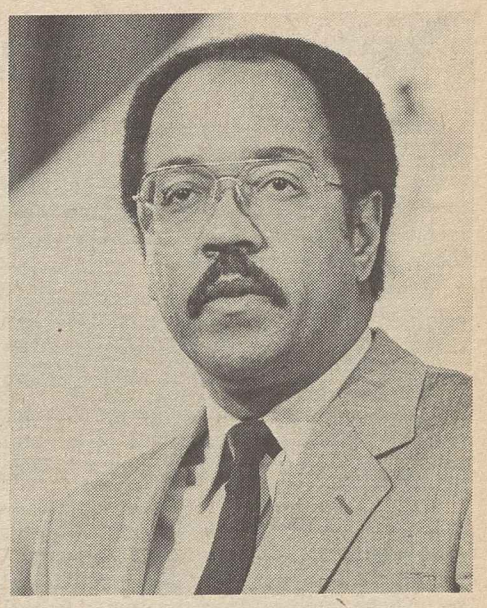
A goal of tax reform, the convention urged, should be to exclude the poor from taxation, assure that workers "pay no more and no less than their fair share," and close "escape hatches for the wealthy."

The resolution expressed concern that "the federal income tax structure has drifted further and further away from the principle of ability to pay." It noted that unearned income can be sheltered from taxation "through phantom deductions, capital gains exclusions, phony leases and overseas investments." But working men and women "pay the lion's share of taxes" and have their tax deducted from their paychecks.

Health insurance provided as part of employment is the alternative in the United States to the extensive government-funded benefits available in nearly every other industrial country, the resolution noted.

The consequences of the Reagan deficits will surely "force Congress to come to grips with the need to increase revenues," the convention agreed. But while the AFL-CIO will work with Congress to assure that any new taxes are equitable, it considered a value-added tax and other forms of sales taxes basically unfair. They "violate the fundamental principle of ability to pay," the resolution affirmed.

A separate resolution noted the special travel and transportation expenses incurred by construction workers forced to travel to distant job sites or rent temporary quarters. It endorsed legislation to make such expenses tax deductible.



William Gray

# Budget chairman sees Senate plan as 'bill of goods'

Anaheim, Calif.—The Senate-passed Gramm-Rudman plan to force a balanced budget through mandatory spending cuts is a "doomsday machine" that would guarantee that recessions are turned into depressions, House Budget Committee Chairman William Gray (D-Pa.) charged.

"We're drowning in a sea of red ink" created by the Reagan Administration's economic policies, Gray told the delegates. But he warned that "anybody who tells you that you're going to have a balanced budget simply by cutting spending is selling you a bill of goods."

Because of the $2 trillion national debt, there will have to be some spending cuts, he said. But "let's make sure that the cuts are equitable and fair."

President Reagan will have to be told to put his "veto gun back in the holster," Gray said, and accept the fact that revenues will have to be raised through the tax structure.

Gray noted that the Senate measure wouldn't start the painful process of mandatory spending cuts until after the next congressional election. He suggested that's like telling a terminally ill patient, "I've got just the medicine to cure you, but don't take it now. Wait a year to take it."

The convention's response to Gray's speech—apart from an ovation—was prompt passage of a resolution spelling out the dangers of the Gramm-Rudman budget plan and calling on the House-Senate conference to reject it.

"Labor is under attack by the Reagan Administration," Gray noted. He cited Republican efforts in Congress to abolish the Davis-Bacon prevailing wage law and attempts "to knock out the pay floor by creating a subminimum wage for youth."

Gray termed the Administration's fiscal policy "the greatest threat" to jobs and prosperity. The dangerous deficit growth, he stressed has come through "massive tax cuts for the rich" and the "monumental increases in domestic spending."

# *Support pledged for museum to recall Holocaust*

Anaheim, Calif.—To assure that the world "never forgets the unmatched evil" of Nazism, with its "state-ordered murder" of 6 million Jews and millions of others, among them many trade unionists, the AFL-CIO convention urged affiliates and individual members to contribute to the construction of the U.S. Holocaust Museum in Washington, D.C.

Congress donated land on the Mall in Washington as the site for the museum, but required that its $100 million construction and operating budget come from private sources.

With the museum scheduled to open in early 1989, the convention called on affiliates to give "wholehearted support" by contributing funds and encouraging local unions and members to make donations.

The record of the American labor movement in fighting anti-semitism is "without parallel," the resolution said, and the role it played in the "dark days" of World War II "is one of which all trade unionists today can be proud."

From the first days of Hitler's rise to power, it went on, "throughout the years of war and the horror of the holocaust," the American movement "repeatedly and vigorously condemned the Nazi persecution of the Jews along with their violent suppression of free German trade unions."

# Union resources, volunteers termed vital to communities

Anaheim, Calif.—Trade union resources are a vital part of community efforts to provide an underpinning for workers and their families hard hit by unemployment and changing manpower trends, the AFL-CIO convention declared.

A resolution dealing with labor's role in the community called for concerted action to aid those who are "not yet back at work, or at work in jobs which won't support the living standards of the past."

Among programs "aimed at meeting basic human needs," the convention said, are food banks and feeding programs, emergency shelter and mortgage assistance, and alternative health care delivery projects.

The resolution urged local central bodies to recruit volunteers among the retired, disabled and unemployed to serve as union counselors in cooperation with the federation's Dept. of Community Services in providing "linkage between union members in need and available services and assistance."

At the same time, delegates called on affiliates to organize retired members and staff "to continue the bonds and benefits of association" with the labor movement. Establishment of such on-going working relationships, the resolution said, would emphasize "the need for communication and collaboration among all individuals with common concerns."

The convention also reaffirmed labor's long-standing relationship with the United Way, Red Cross and Boy Scouts, declaring that through these agencies, "the energy and experience of union men and women can contribute to community well-being."

# Federal Reserve's tight money policy hit

Anaheim, Calif.—Another recession looms unless the United States "aggressively pursues" economic growth policies, the AFL-CIO convention warned.

The Federal Reserve Board must ease its tight money policies, delegates agreed, "to bring interest rates down and reverse the drift toward economic recession which would cause the budget deficit and the federal debt" to soar to new record highs.

The resolution called on Congress to enact standby credit control authority, so that "selective credit regulation" could be imposed "to call off an overheated economy, instead of placing sole reliance upon tight-money, high interest rate policies."

The convention urged restructuring of the Fed to include representatives of labor, agriculture, small business and consumers; making the term of the board chairman coincide with that of the President, and abolishing the Federal Open Market Committee by turning its functions over to the full board.

# *Prevailing wage laws still essential to workers*

Anaheim, Calif.—A broad array of federal programs enacted over the years to safeguard the rights of workers should remain in place and, where necessary, be improved to guarantee both jobs and purchasing power, delegates to the AFL-CIO convention said.

"The protections American workers have possessed for decades under the Davis-Bacon Act, Service Contract Act, Walsh-Healey Act and Fair Labor Standards Act should be restored" by Congress and the Administration, delegates agreed.

The minimum wage should be "restored to its prior purchasing power" of 60 percent of average hourly earnings in the private sector, a convention resolution said, and should be indexed annually to keep it at that level.

The resolution called for a staged reduction of the workweek to 35 hours to open up employment opportunities for the 8.3 million workers now seeking jobs, the 5.3 million who cannot find full-time work, and the 1.2 million discouraged who have quit looking for jobs.

Such a move, the resolution continued, would be of particular help to millions of young workers who are finding it hard to "get a decent start and experience."

At the same time, the convention called for pushing the overtime premium to three times the hourly rate, pointing out that the present time-and-one-half provision which has been in effect for 47 years "does not discourage regularly scheduled overtime" and compels many to "work long hours, even weekends and holidays, while others are unemployed."

Delegates pledged to fight current moves to remove state and local public employees from the wage-hour protections of the law. Earlier this year the Supreme Court upheld the constitutionality of covering public employees under FLSA, but efforts are afoot in Congress to take away these safeguards.

With respect to the other labor standards measures, the convention had this to say:

**Davis-Bacon**—The purpose of this legislation was to ensure that workers on federally funded construction projects receive "a fair day's pay for a fair day's work," so that these benefits would not be jeopardized by cost-cutting contractors. Similar prevailing wage laws have been enacted in most states.

For the past several years, the Business Roundtable, the Associated Builders & Contractors, the Chamber of Commerce and other right-wing forces have been running a "sophisticated, well-funded lobbying and public relations campaign" for repeal of the federal and state statutes.

The convention pledged to fight these efforts, as well as attempts by the Labor Dept. to "cripple" the effectiveness of the law through wholesale exemptions to contractors who pay substandard wages under the "fiction" that many of the workers are "merely helpers."

**Service Contract**—Like Davis-Bacon, this law was designed to guarantee that "government contracts are won on the basis of skill and efficiency, rather than on the basis of substandard wages and exploitation of workers."

Anti-worker forces have won regulatory changes denying protection to a substantial number of workers formerly covered by the act, funneling many contracts to low-wage areas and depriving unionized service contract workers of their right to collectively bargained wages and fringe benefits.

The convention called for an all-out effort before federal agencies, in the courts and in Congress to preserve what it said was "an integral part of the remedial labor legislation of our nation."

**Walsh-Healey**—Enacted in 1936, the law requires government contractors to pay no less than the prevailing minimum wage and observe the eight-hour day and the 40-hour week.

Under legislation now pending in Congress, union contractors would continue to be held to the provisions of their collective bargaining agreements, but non-union contractors would not be bound by the present requirements of the law.

Delegates pledged the AFL-CIO's opposition to any efforts to either eliminate the law in its entirety or to limit its scope.

To strengthen enforcement of all of the labor standards legislation, the AFL-CIO urged the Labor Dept. to restore the enforcement officer positions dropped under the Reagan Administration's retrenchment policies between 1981 and 1985.

# New social security campaign seeks improvements

Anaheim, Calif.—Organized labor, having fought the battles to keep the nation's social security system fiscally sound, will now renew its efforts "to complete the structure which was begun a half-century ago," the AFL-CIO pledged.

Now "is the time to turn our attention to efforts to improve and strengthen the protection social security provides for all Americans," a convention resolution urged.

The convention condemned the Administration's multi-pronged assault on the program, pointing to the President's broken campaign promises.

Social security is "a self-financed program paid for by workers and employers," the convention said as it demanded social security be removed from the unified federal budget and made an independent agency "free from the pressures of political appointees."

The federation "strongly supports repeal of the retirement age increases legislated for the next century." Calling the increase "bad social policy," the delegates pointed out that it will amount to a future benefit cut for today's younger workers and will aggravate unemployment for tomorrow's youth.

### Undermining progress

In addition, increasing the retirement age undermines decades of progress made in negotiating early retirement programs "designed to meet the twin goals of a dignified retirement for the older worker and a job opportunity for the younger worker," the resolution said.

The AFL-CIO urged further that partial general revenue financing be introduced into the social security program to provide relief for low- and middle-income workers. The resolution noted "such financing was anticipated by the founders of the system and is to be found in practically all industrialized countries."

The system also should be modified to more equitably provide income protection for women, the delegates stressed. "We support the concept of earnings sharing which recognizes marriage as an economic partnership and accords to each marriage partner the right to retirement income based on half the total retirement credits earned by a couple during their marriage."

The resolution expressed dismay over the Reagan Administration's "capricious" purging from the rolls of tens of thousands of disabled beneficiaries. It said the federation, in cooperation with other organizations, will "monitor the implementation of the Disability Reform Act and, if necessary, will seek additional action by Congress to insure that the Administration carries out both the letter and spirit of the new law."

John F. Henning, executive secretary-treasurer of the California AFL-CIO, told the delegates, "We need this resolution to boost our morale, to remind us of trade union responsibilities and to let all America know we know a villainous behavior in the White House when we see it."

### Attack on benefits

President Reagan has turned the "power of the government against the benefits for the aging millions of Americans," Henning said.

AFL-CIO Vice President Owen Bieber, head of the Auto Workers, declared that the "callous attitude" of the Reagan Administration is evident in its disregard for campaign promises on social security and in its "sneak attack on tens of thousands of disabled persons covered by the social security system."

# *Federal action urged to curb foreign firms' union-busting*

Anaheim, Calif.—Although the AFL-CIO welcomes investments in the American economy by "responsible foreign-based firms," these companies must be compelled to operate "within the context of American labor law," the convention declared.

Delegates condemned the "anti-unionism" of BASF Corp. and Heidelberger Zement, both of West Germany, Kawasaki Motors of Japan, and LaFarge-Coppee of France, pointing out that they oppose trade unionism in their American operations even though they have "long-standing collective bargaining relationships" with unions in their own countries.

The convention singled out BASF for particular criticism, noting that it has taken "extraordinary measures to rid itself of labor unions" in this country and has tried to extract "devastating concessions from those units that resist union decertification efforts."

The resolution noted that in June 1984, when BASF was unable to convince Oil, Chemical & Atomic Workers members at its Geismer, La., facility to accept an inferior contract, it locked out 370 union members and in the succeeding 16 months spent over $7 million "in an unsuccessful effort to destroy the bargaining unit."

Before adopting the resolution, delegates heard OCAW President Joseph Misbrener detail BASF's growing concentration of power. It has 72 American plants—70 of them acquired in the last 15 years—which account for one-fourth of the firm's $16-billion-a-year income.

Denouncing the company's "pattern" of assaults on trade unionism, Misbrener said that three of OCAW's locals "have been busted in the last five years and two more have been required to accept massive concessions."

In addition, BASF has attacked locals of the Chemical Workers, Clothing & Textile Workers and unaffiliated Teamsters, the resolution pointed out.

At Kawasaki's Lincoln, Neb., plant, the Auto Workers have tried for seven years to form a union. The company retained the services of a union-busting law firm and succeeded in invalidating elections in 1978 and 1979 along with the cancellation of another vote in 1982.

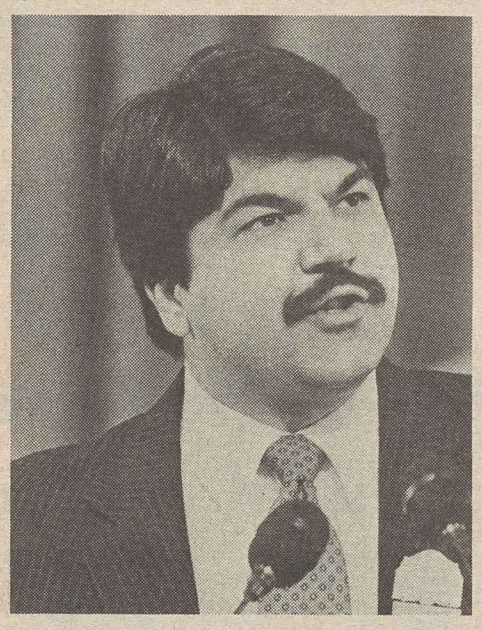
"It is only reasonable to demand that foreign-owned firms respect America's laws—including its labor laws," the convention said.

In addition, it urged Congress to establish new federal standards for public disclosure by foreign-held firms, declaring that these companies "should not be able to hide behind the formality of their foreign ownership" to avoid disclosing basic operating data required of comparable U.S.-owned firms.

## BASF boycott

**Anaheim, Calif.—Condemnation of the "union-busting and illegal activities" of the BASF Corp. was voted by the AFL-CIO Executive Council in a post-convention session.**

**It threw labor's full support behind the Oil, Chemical & Atomic Workers boycott of BASF video, audio and computer tapes and discs, Lurotin brand vitamins and Alugard 340-2 protectant found in some brands of anti-freeze, and called on the Union Label & Services Trade Dept. to publicize the boycott.**



Richard Trumka

# Need cited for public employee bargaining laws

Anaheim, Calif.—Employees of state and local governments should have collective bargaining rights comparable to those that private-sector workers are guaranteed under the National Labor Relations Act, the AFL-CIO said.

Only 21 states have comprehensive bargaining laws and 10 states have no public employee bargaining legislation at all, a convention resolution noted. Further, "no two state laws are the same."

Against this spotted backdrop, the convention reaffirmed the AFL-CIO's support for "federal legislation extending full collective bargaining rights to all state and local government employees."

Fire Fighters President John A. Gannon said he supports federal legislation but that the prospect of getting a law enacted during the Reagan Administration is "remote."

"Therefore," he urged, "we must seek state legislation in states where public employees are treated as second-class citizens." Labor should target for defeat politicians with "right-to-work mentality" and "plantation thinking," Gannon said.

In another area of concern to public employees, the convention urged that collective bargaining be used to set caseload limits for social workers and others involved in providing human services.

# UMW president warns of threat from giant firms

Anaheim, Calif.—Labor's "greatest challenge" is to develop a mechanism "to counter the economic and political power of the multinational corporations" that dominate American industry, Mine Workers President Richard Trumka told the AFL-CIO convention.

The first UMW leader to address convention delegates in the federation's 30-year history, Trumka said that unions face "protracted battles against these corporate Goliaths, many of which will go to any lengths to break the back of organized labor."

Because the multinationals "have little loyalty to any nation and none at all to the areas and communities in which they operate," the UMW president said, unions are finding that "our most powerful weapon, the strike, is increasingly rendered less and less useful."

If labor turns to government for assistance "to enable us to do more equal battle on behalf of working people," it is told that unions are "an outmoded, obstructionist, irrelevant force." Trumka said.

"The unspoken message is that the needs and desires, hopes and dreams of the working people of this country are merely an irritant to the workings of multinationals," he said, adding that public officials believe their "obligation to the theory of 'free trade' outweighs any obligation they have to protect the citizens of this land."

### Two-way street

Taking aim at the Reagan Administration's charge that labor is seeking "protectionism," Trumka noted that working people have always been called upon by their government "to protect our nation" in time of war "so that our American values might be preserved for future generations."

"Now we call upon America to protect its workers, our values, our way of life," he said. "We think it is about time that the act of protectionism became a two-way street in this country."

But labor's concerns will not be heard by the Administration, Trumka asserted. "Its actions, both here and abroad, can only lead to the conclusion that it is doing everything in its power to assist multinational corporations to the continued detriment of the people it supposedly represents.

The UMW president charged that the government's foreign policy is "to make the world safe for corporate profiteering," and that in pursuit of that goal, it backs "any dictator of any stripe who will maintain a 'good business climate' by keeping down wages and working conditions and by preventing workers from organizing."

Aided by that policy, American corporations have been steadily moving jobs overseas—going wherever they find workers who can be "forced to work for the lowest wage, under the most hazardous conditions," Trumka said.

"It's time for us to fight for a foreign policy which is supportive of working people around the world. We must help workers in poor countries to bring up their working and living standards—for their benefit and for ours. If we do not, we will continue to find ourselves under the guns of the corporate profiteers."

# Strike averted as AT&T agrees to talks on jobs

Anaheim, Calif.—A last minute agreement between the Communications Workers and AT&T averted a nationwide strike set for Nov. 1 by some 50,000 CWA members against AT&T's Information Systems division.

CWA President Morton Bahr announced the settlement which reduces the number of scheduled layoffs and requires AT&T to notify the union of its plans to contract out traditional telephone work.

Bahr said that the number of union members threatened by layoffs had been reduced from 9,100 to 4,100. "CWA won't rest until all of our members have jobs within AT&T, the Bell Operating companies or elsewhere. They are skilled workers who want and need to work," he continued.

Bahr noted that the agreement does not prohibit AT&T from contracting out work, but added "in fact, the company has severely limited its use of subcontracting,"

# Support for UFW grape boycott renewed

Anaheim, Calif.—Gov. George Deukmejian (R-Calif.) is "paying his political debt to the growers with the blood of farm workers," President Cesar Chavez of the Farm Workers told the AFL-CIO convention, as delegates reaffirmed their support of the table grape boycott.

Although the state's Agriculture Labor Relations Act was "a very good law" when it was adopted in 1975, it "doesn't work anymore" under the Deukmejian administration, Chavez told delegates.

The convention took note of the fact that 36,000 farm workers who voted for union representation have been frustrated in their efforts to negotiate first-time contracts "because of the growers total disregard for the law and refusal to bargain in good faith."

The resolution laid much of the blame on Deukmejian, whose administration has "gutted" the agency, slashed funding, and invoked new administrative procedures to deny farm workers "access to the law that was meant to protect them."

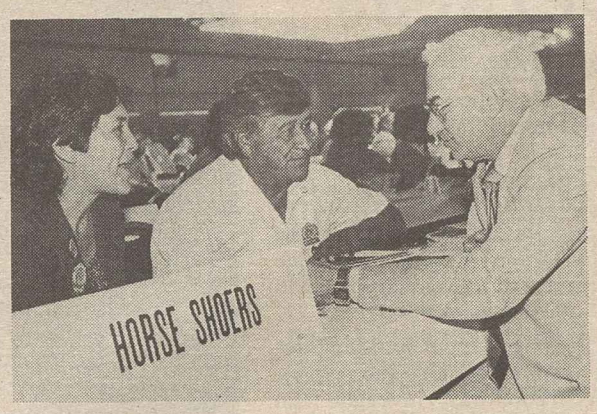
### Lax enforcement

It also noted that "thousands of farm workers have been poisoned every year" because of inadequate laws and lax enforcement of existing statutes dealing with the use of pesticides. It said the boycott will continue until growers guarantee workers free and fair elections, and until they "voluntarily ban" the five deadliest pesticides.

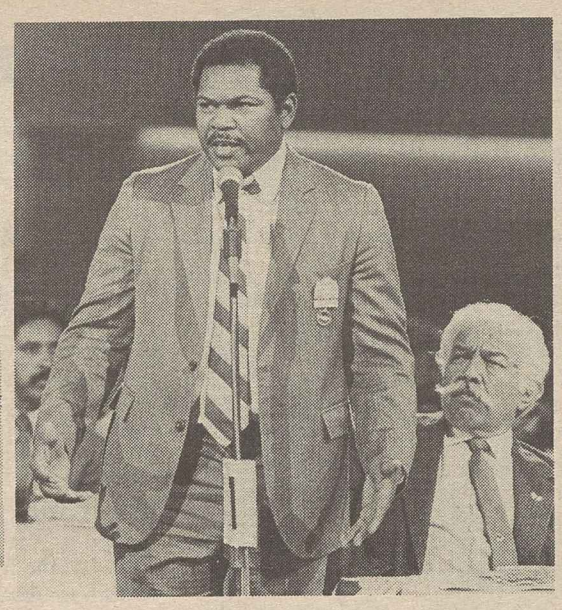
A companion resolution praised the city of Santa Cruz, Calif., for endorsing the table grape boycott in the face of hostility from the County Farm Bureau, and recommended the city as a site for conventions and conferences.

On the general subject of boycotts to achieve labor's legitimate goals, the convention said they have proved to be "a means to effectively combat the forces that would destroy" the trade union movement.

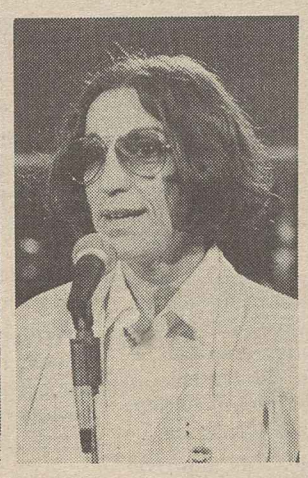
All affiliates and state and city central bodies should continue to support national boycotts endorsed by the Executive Council, the resolution said, and the editors of labor publications should give these activities "all possible publicity."




Farm Workers officers Dolores Huerta and Cesar Chavez meet with Newspaper Guild's Charles Dale, courtesy of the Horse Shoers.



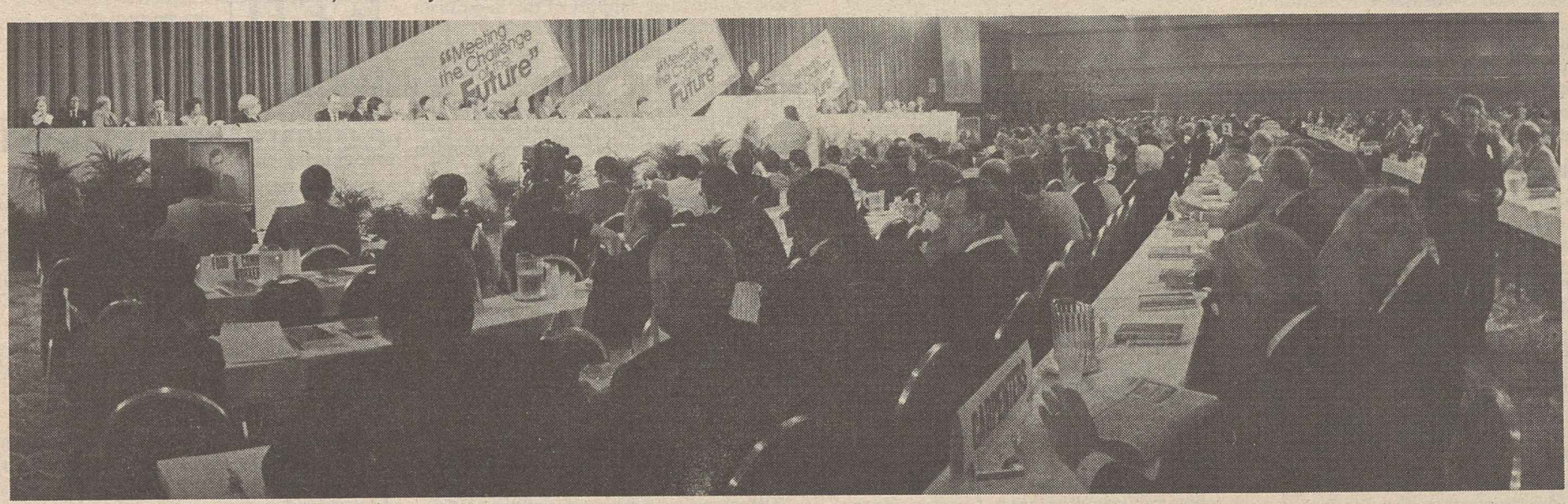
Leon Lynch of Steelworkers in convention floor debate.



Sandra Feldman, Teachers delegate



Mary Yunt, Orange County AFL-CIO




# Meeting the challenge




Retired ACTWU officer Sol Stetin promotes the Botto House labor museum in Haledon, N.J.



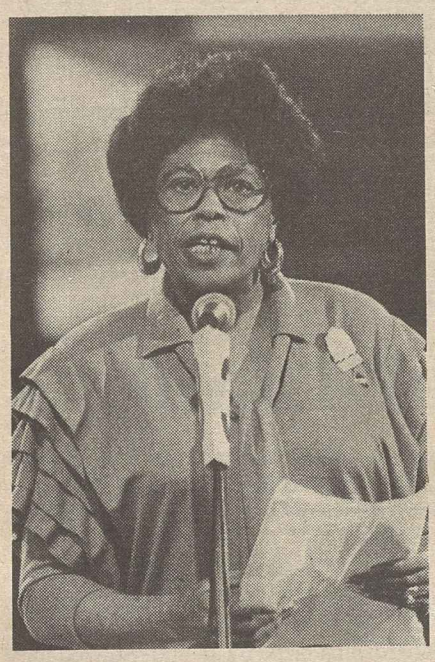
Building Trades officers Andrew Haas, Marvin Boede, and Angelo Fosco.



Auto Workers delegates Odessa Komer, Ken Worley and Owen Bieber



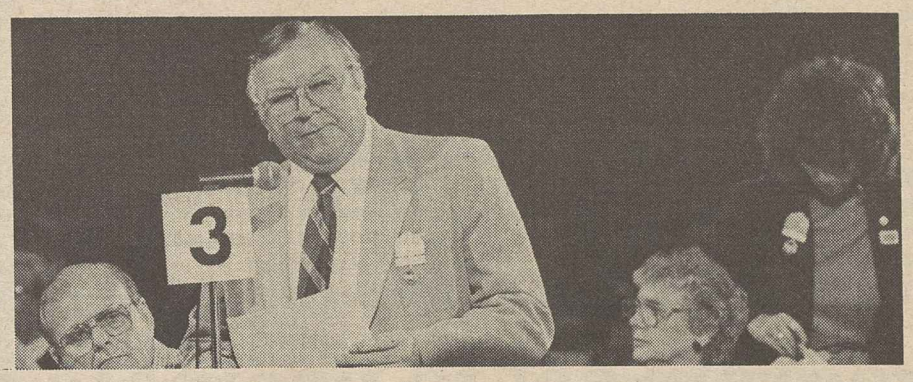

AFSCME's Diana Rock



SEIU's Ophelia McFadden




Linda Puchala of Flight Attendants




Richard Cordtz of Service Employees makes a point.



Federation Vice Presidents Charles Pillard, Kenneth Blaylock, John DeConcini, Robert Goss and Richard Kilroy.

# *Strong support pledged workers fighting for union rights overseas*

Anaheim, Calif.—Reaffirming its conviction that freedom of association is the bedrock on which all other human rights are founded, the AFL-CIO convention pledged continued support for workers struggling to preserve free trade unions against dictatorships of the left or right.

In a wide-ranging exposition of the federation's foreign policy objectives, delegates adopted a resolution aligning American labor with the trade union movements in Poland, Israel, South Korea, South Africa, England, Ireland and Central America.

The convention also voiced its approval of the resumption of arms negotiations between the United States and the Soviet Union, endorsed a verifiable reduction in nuclear weapons while opposing unilateral disarmament, reiterated its historic support for Israel, which it called "the only democratic state in the Middle East," and sharply condemned South Africa's racial policies as "a moral affront to civilized humanity."

## Forefront of struggle

Delegates praised the democratic trade union movements in strife-torn Central America, pointing that they have "moved into the forefront of the coming struggle for political freedom and economic and social justice in their nations."

Noting that the civil wars in El Salvador and Nicaragua have "taken a bloody toll," the resolution condemned "anti-democratic forces" in both countries and urged the two governments to settle their internal problems peacefully.

The convention sharply rebuked the Reagan Administration for continuing to place emphasis on a military rather than a political solution to the conflicts in Central America.

"The AFL-CIO believes that a negotiated settlement, rather than a military victory, holds the best hope for the social, economic and political justice that the people of Nicaragua and El Salvador deserve," the resolution declared.

It also reiterated the federation's insistence that military aid to El Salvador be conditioned on "demonstrable progress in guaranteeing trade union rights, implementing land reform, ending the attacks and killings by right-wing 'death squads,' reforming the judicial system, and bringing to justice the murderers of AIFLD representatives Michael Hammer and Mark Pearlman and Salvadoran labor leader Jose Viera."

## NATO backed

Delegates voted continued support of the North Atlantic Treaty Organization and the Atlantic Alliance, recommended a "continuing consultative relationship" between the alliance and the International Confederation of Free Trade Unions, and urged the ICFTU and the Organization for Economic Cooperation & Development to work out a "collective approach" to worldwide economic problems.

The resolution condemned terrorism and the governments that sponsor it, and called on all democratic governments to adopt more effective security measures, "consistent with the preservation of civil liberties," to prevent such attacks and to apprehend and prosecute terrorists.

The provisions dealing with Central America sparked an animated floor debate.

President Kenneth T. Blaylock of the Government Employees said the resolution did not go far enough because no mention was made that terrorism by the "death squads" in El Salvador has been replaced by military action "planned, supported and connived by" American advisers.

With respect to Nicaragua, Blaylock continued, "we fail to mention the contras who are perpetuating not a war against military targets but a war of terror against the people of that country."

## Right approach

Declaring that the AFL-CIO had "the right approach and the right policies," Vice President Leon Lynch of the Steelworkers said the federation's position is based on the recommendation of Central American trade union. "We have a responsibility to rely on their judgments, not to substitute ours for theirs," Lynch said.

Nita M. Brueggeman of the Clackamas County, Ore., Central Labor Council, expressed concern that labor had not taken "a clear position against support for the contras," noting that Adolph Coors, head of the anti-union beer company which bears his name, is "one of their benefactors."

Bricklayers President John T. Joyce said that the resolution "clearly indicates that the Reagan Administration is off base by putting insistence on a military solution over a peaceful solution."

"We may disagree on details," Joyce said, "but we should not divide our movement in its commitment to freedom of association, which is for trade unionists both an appealing ideal and a necessity of life."

Edward Asner, outgoing president of the Screen Actors Guild, said that while the resolution called for diplomatic, rather than military, solutions, he did not believe that "we have the right to dictate how a Nicaragua or an El Salvador should be governed."

## 'Death squads' toll

In Nicaragua, Asner said, there have been 500 civilian deaths while the El Salvadoran "death squads" have taken 50,000 lives. "Yet our institutional rhetoric offers no reflection of this truth, even when the victims include our fellow trade unionists and our own people," including Hammer and Pearlman.

Al Shanker, president of the Teachers, stressed the fact that, "instead of abandoning human rights in El Salvador, our aid to that country has been conditioned on progress on human rights."

Although delegates might disagree on the contra issue, Shanker said, "nothing that we say here should be taken as some sort of a sign of approval" for the Sandinista dictatorship. "Our job," he added, "is to help build a free trade union movement" in the face of the "destructive" Sandinista regime.

President Edward J. Cleary of the New York AFL-CIO noted that the Nicaraguan government recently suspended virtually all remaining rights in that country under the guise of a national emergency. "You can not take away freedom of association, freedom of speech, freedom to strike or freedom to organize," he declared.

Edward Clark of the New Bedford & Cape Cod, Mass., Labor Council, said the language of the resolution concerning the murderers of Hammer, Pearlman and Viera is similar to that adopted two years ago. "These conditions have not been met," he said, "and as long as the AFL-CIO continues to support the foreign policy of the Reagan Administration by sending aid to the military government of El Salvador they will not be met."

AFL-CIO President Lane Kirkland rejected as "beneath contempt" the suggestion that the federation was "in league with Coors or Reagan," adding:

"Those who made it would react most vigorously if it were pointed out what associations their support of the Sandinista regime would place them with."

Concerning the Hammer and Pearlman slayings, Kirkland said that, at their funerals, "I swore I would not rest until we had brought their murderers to justice," and that the federation had devoted considerable resources to that task.

## Stern conditions

But, he added, the AFL-CIO would not be satisfied if the killers were punished "and the killings and the injustice against the workers of El Salvador continued." If that were to happen, Kirkland said, "I will oppose all military aid to that country."

American trade unionists who work with their counterparts in Central America, and in other trouble spots around the globe, are "doing the work of the trade union movement as it ought to be done," he declared, and the resolution supports their efforts.

"When we send our people out around the world, expose them to conditions of great danger, I think they deserve your support and not a knife in the back," Kirkland said.

Among other highlights of the resolution:

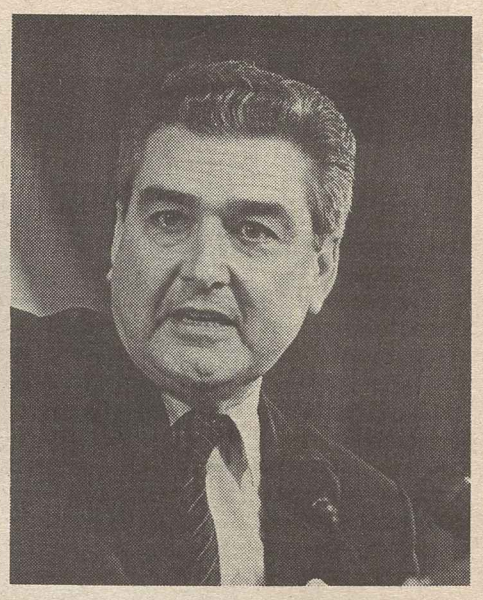
**Disarmament**—Labor supports a strong national defense to protect America and her allies, but the defense budget must be "fairly financed," American workers must not be "forced to bear a disproportionate share of the burden," and procurement procedures must be overhauled to eliminate waste and corruption.

**Middle East**—There can be no resolution of the deep-seated conflicts there until the Arab nations demonstrate "unqualified acceptance of the state of Israel" and willingness to negotiate directly with Israel.

**South Korea**—The government's systematic crackdown on trade unions violates that country's constitution, and unless it releases jailed trade unionists, present import benefits it now enjoys should be withdrawn.

**South Africa**—A broad range of sanctions is needed to force the Pretoria government to end "institutionalized racism" and grant black citizens "full and equal participation" in the country's political life. In addition to ending apartheid, South Africa must release trade union and other political prisoners and halt such "odious" practices as the holding of people without trial or even charge and the torturing of those in custody.

**British Miners**—Labor continues to support the British Trades Union Congress in defending the rights of British miners, and opposes efforts by the British National Union of Mineworkers to split off and ally itself with communist-controlled unions in Western and Eastern Europe.



John Vanderveken

# ICFTU presses tough sanctions against apartheid

Anaheim, Calif.—Violations of human and trade union rights anywhere in the world have "a direct impact on workers everywhere," John Vanderveken, general secretary of the International Confederation of Free Trade Unions, told the AFL-CIO convention.

Support for South African workers must "remain at the top of our agenda" until they achieve full citizenship and economic justice, Vanderverken said.

Reporting on his recent visit to South Africa, the head of the 83-million-member ICFTU said that the message from unions in that strife-torn country is that they want "real, tough sanctions."

A total crackdown on South Africa's government, strongly supported by the AFL-CIO, "cannot hurt the blacks more than apartheid does already," he said. "If we fail to respond adequately, the consequences for the future direction of South Africa will be grim indeed."

## 'You are not alone'

Addressing a message from the convention platform to black unionists struggling for justice in South Africa, Vanderveken declared:

"We salute your courage and your fortitude. You are not alone. Free trade unionists throughout the world will support you until you finally and inevitably triumph over a tyranny that is doomed."

Vanderveken also proclaimed solidarity with the Polish trade union movement suffering under the "oppressive regime" of Gen. Jaruzelski, and with the workers in Chile where "another dictator is trying to stifle free trade unions."

He called on the United States to ratify the conventions of the International Labor Organization, pointing out that these documents—on such issues as job safety and health, and workers' rights to organize—are under attack by "left-wing and right-wing dictators."

Because of the failure to adopt international labor standards worldwide, the ICFTU leader pointed out, runaway companies are able to "join hands with repressive governments" around the globe, establishing "low-wage, union-free environments" which translate into worker exploitation.

# Program set to promote central body affiliations

Anaheim, Calif.—The AFL-CIO moved another step closer to the goal of full affiliation of all union members with their state and local central bodies.

Only a slim majority of the AFL-CIO's membership is in local unions that have affiliated with state and local bodies. And that's not enough, a convention resolution made clear, not with the increasingly important role state and local bodies.

The resolution noted approvingly the new program launched by a special committee of the Executive Council and the Dept. of Organization & Field Services "to aggressively promote voluntary affiliations." As an important part of this program, each national union has been asked to designate a high-level official to join in efforts to encourage full affiliations.

But if the rate of voluntary affiliations remains unsatisfactory, the convention authorized the Executive Council to "develop and adopt" a new approach, subject to approval at the next AFL-CIO convention.

It said that any program that would affect the cost of an affiliate's standing within the AFL-CIO must provide at least three years' notice before it takes effect.

The resolution also urged more coverage of state legislative activities by union publications. It said unions should strive to assure that their locals and field staff join in and support the legislative efforts of central bodies.

AFL-CIO Vice President Wayne E. Glenn, who heads the Ad Hoc Committee on State & Local Central Bodies, termed the percentage of affiliation "far too few."

State legislatures write unemployment compensation, workers compensation and picket line laws, he stressed. Central bodies are expected to take leading roles in election campaigns, "but we haven't given them the ammunition to fight with."

Glenn, who is president of the Paperworkers, called for international unions to push actively for affiliation of their locals with central bodies, and not just give "lip service" to the continuing objective of full affiliation.

Two state federation presidents—Robert G. Gibson of Illinois and John W. Schmitt of Wisconsin—welcomed the convention action as moving in the right direction, but stressed the need for following through on the measure.

Delegates speaking on the resolution likened local unions that don't affiliate with central bodies to free-loaders in "right-to-work" states who benefit without paying their share.

Glenn H. Freeman, president of the Greater Lansing Labor Council in Michigan gave a graphic picture of the handicaps and hardships faced by an underfunded local central body.

"I work fulltime for the telephone company," he told the delegates. "My secretary-treasurer works fulltime." The central body receives per capita on about 8,000 union members, but "our potential is in excess of 34,000." Through resolutions adopted at the convention, Freeman said, central bodies are "rightfully" being urged to get more involved in public relations, COPE, organizing and legislation.

## Dealing with change

# Professional unions cite growth prospects

Anaheim, Calif.—The Dept. for Professional Employees welcomed the AFL-CIO report on "The Changing Situation of Workers and Their Unions" as a roadmap that continues in a direction the department and its affiliated unions have already taken.

Growth and change was the reiterated theme of the DPE's fifth biennial convention—the changing nature of an increasingly white-collar workforce and the opportunities for growth in unions responsive to the needs of today's workers.

DPE President Albert Shanker stressed in his opening remarks that collective bargaining must be stretched to embrace the professional concerns of employees as well as the traditional elements of union contracts.

The "Catch-22 situation," he said, is that employees who participate in what is construed as management decisions risk losing their right to be part of a bargaining unit.

Labor law needs to be updated, Shanker urged, so that employees don't have to choose between professionalism and union membership.

Shanker, who is president of the Teachers, was re-elected president of the department. Alan Eisenberg, executive secretary of Actors' Equity, was elected vice president. He succeeds Sanford I. Wolff of the Television & Radio Artists. Rodney A. Bower, president of the Professional & Technical Engineers, was re-elected treasurer of the department.

DPE Director Jack Golodner told the delegates that the degree of unionization among professionals now exceeds that of other segments of the labor force.

### Fastest growth

"Professional occupations are now the fastest growing and best organized in the labor movement," Golodner said. "Two-thirds of all organized white-collar workers are professionals."

A special feature of the one-day convention was a panel discussion by a varied group of professionals with first-hand experience in organizing.

San Francisco television news reporter Bill Hillman, a former president of AFTRA, moderated the session. Participants included Shanker, from the Teachers; Mark Smith president of the San Francisco Interns & Residents Association; Sandra Delahoussaye, a nurse who is president of the Los Angeles County Employees affiliate of the Service Employees; Louis Albano, a professional engineer who heads AFSCME's Civil Service Technical Guild in New York; Gene Allen, an Oscar-winning Hollywood set designer and a vice president of the Theatrical Stage Employees, and DPE Associate Director Dennis Chamot.

The featured speaker at a luncheon session was Lawrence Grossman, president of NBC News, who welcomed labor's expanded use of television and new technologies to get its message across.

### Fairness doctrine

In response to questions, he differed with labor's support of the fairness doctrine in broadcasting, arguing that the obligation to present a diversity of views should not be imposed or interpreted by government. But he acknowledged that commercial television, including his own network, had been lax in its coverage of non-conflict labor issues such as the AFL-CIO's self-examination of the role of unions in a changing workforce.

Resolutions adopted by the delegates expressed concern at the capture of the National Labor Relations Board by "anti-union ideologues appointed by President Reagan" and the undermining of government programs established to provide equal opportunity and job safety and health working Americans.

It adopted a comprehensive education statement, including the goal of "improving education in our nation's central cities." High quality free public education is the right of every American, the department said.

Pay equity should be pressed through collective bargaining, and political and legislative action, the DPE urged, "to bring about equality of pay for work performed and to remove all other barriers to equal opportunity for women and minorities."

It called for "federal child and dependent care programs" and opposed moves to eliminate or reduce the child care income tax credit.

In an area of special concern to unions in the performing arts, the convention called for enactment of legislation to require importers and manufacturers of audio recording equipment and blank tapes which are used for the home recording of copyrighted sound recordings to pay a reasonable royalty fee which could be distributed among copyright owners of recordings subject to home taping.




DPE President Albert Shanker urges labor law reforms to aid professionals.

# Congress urged to restore child care, social services

Anaheim, Calif—The AFL-CIO called for an end to the federal government's "retrenchment" on child and dependent care services and urged Congress to move quickly to help "the nation's most vulnerable citizens."

The resolution cited "growing numbers of working parents searching for frequently non-existent child care arrangements," as evidence of the need for federally funded centers. It noted that Congress slashed federal funds for child care and social services in 1981, and turned the remainder over to the states with no restrictions on how it was to be spent. The predictable result, the convention found in many cases, was the deterioration of child care services and early education programs.

"Any federal commitment to child care has been virtually eliminated," the AFL-CIO protested. "Even the source of federal support for child care services now provided by the existing tax credit is threatened by the Administration's efforts to change the tax credit to a tax deduction—making it far less advantageous to lower-income families."

The convention urged Congress to:

- Retain the existing child care tax credit.
- Increase funding for Title XX of the Social Security Act, to meet the needs of abused children, the mentally ill and the elderly.
- Provide financial incentives for state-run child services and programs for the elderly and disabled.
- Enact legislation giving parental leave to workers with newborn children without risk of job loss.

The convention also urged affiliates to seek child care and dependent care services through collective bargaining. Options for care suggested by the resolution include employer-sponsored centers; information and referral services; allowances for care in existing centers; time off when a child or dependent is sick, and flexible working hours to allow for the care of sick children and dependents.

# Programs backed to assist nation's family farmers

Anaheim, Calif.—Acknowledging the common concerns of farmers and workers, the AFL-CIO proposed a series of actions to aid America's family farmers, protect consumers and strengthen the nation's rural economy.

The convention resolution was based on an Executive Council report noting that one-third of the nation's family-sized farms are experiencing serious financial problems, with nearly 300,000 forced out of business over the last four years.

The convention resolution urged:

- Restricting farm income-support programs to benefit only family farmers.
- Fair price and production policies that allow family farmers to earn a decent living, without transferring loopholes and benefits to giant agribusinesses and tax shelter farms.
- A moratorium on farm foreclosures.
- Limits on the growth of giant agribusinesses, with regulations on sales of farms to foreign interests.
- Establishment of a National Grain Board to handle foreign sales of U.S. grain and protect the interests of family farmers and consumers.

# *Cranston hits 'hypocrisy' on budget*

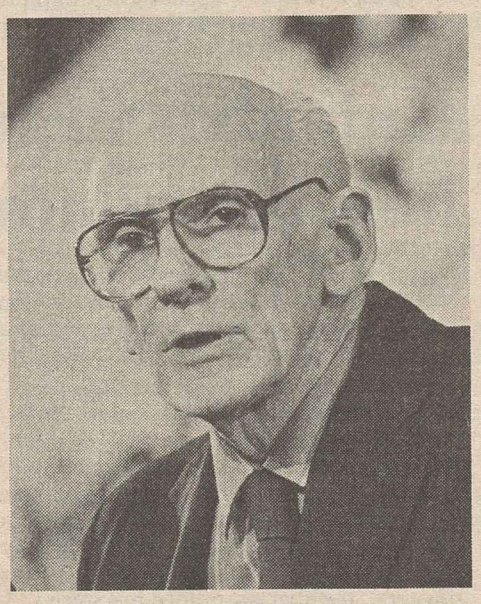
Anaheim, Calif.—Sen. Alan Cranston (D-Calif.) lashed out at the "hypocrisy" of the Reagan Administration and the Republican-controlled Senate in pushing for a balanced budget plan that would decimate social programs while continuing to insulate multi-billion-dollar corporations and the super-rich from taxes.

The Senate-passed Gramm-Rudman bill, Cranston told the AFL-CIO convention, should be called "the Republican Evasion Act of 1984," because, despite the urgent need to stem the flow of red ink in the federal budget, it would not go into effect for another two years. Thus, he said, it would exempt Republicans seeking re-election next year "from being hurt by budget cuts."

The Senate minority leader called for passage of a Democratic alternative, being advanced by House Democrats, which would meet the test of fairness by exempting social security and programs for the poor and disabled from budget cuts, targeting spending reductions on "a broad range of programs, including Pentagon weapons systems," and levying minimum taxes on corporations and the wealthy.

The GOP-backed plan, Cranston said, ignores the fact that "corporations that pay little or no taxes" have been the "largest contributor to the federal deficit." Since President Reagan took office, he pointed out, corporate loopholes have contributed to a $400-billion revenue loss.

Instead of addressing this source of potential revenue to bring budget deficits down,



Alan Cranston

he said, Gramm-Rudman would attack the social safety net, already decimated under Reagan.

"The first programs to get the knife," he told convention delegates, would be "school lunches for hungry kids and food stamps for poor families," along with federal programs to aid the blind, the elderly and the handicapped.

Instead of waiting two years to address the deficit issue, Cranston said, Congress should move ahead at once to curb the borrow-and-spend policies of the Administration.

"It took 200 years to accumulate a trillion-dollar debt," he said. "It took the Republican party just five years to double that debt. We've gone from a federal budget deficit of $60 billion in 1980 to $212 billion today.

"We're paying $150 billion a year just on interest on the national debt," he continued. "That's larger than the whole budget for the whole government when John Kennedy was in the White House."

Cranston warned that Gramm-Rudman would "pass the power of the purse from the Congress to the President and we all know how this President would use that law." But whether Reagan or someone else is in the White House, he said, "we should not cede that power to any President."

The Republican deficits of the past five years, Cranston told delegates, have led to "the biggest trade deficit in our nation's history," which in turn has created a "job deficit" which has seen 2 million American families victimized by foreign competition.

"These deficits are not made in Japan, despite Japan's many unfair trade practices," he said. "They're made in America. More precisely, they're made in a Washington dominated by the Republican party."

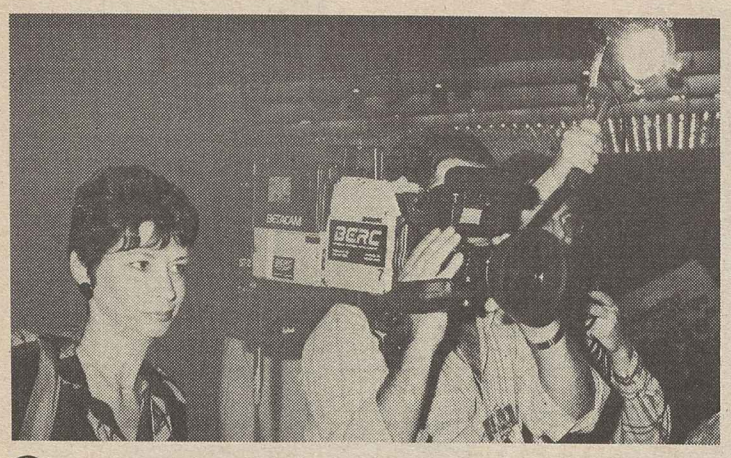
Yet the White House has "ignored the trade catastrophe," and has failed to come up with a program to deal with predatory foreign practices which are "costing jobs, devastating families, and threatening the future supremacy of our economy," Cranston said.

# Union-busters pushing Hobbs Act amendment

Anaheim, Calif.—Anti-labor forces are trying to twist a federal anti-racketeering law, the Hobbs Act, into a weapon against unions, the AFL-CIO warned.

A convention resolution reiterated the federation's strong opposition to proposed amendments to the Hobbs Act that would make picket-line misconduct a criminal felony, subject to 20 years in prison.

Misconduct in labor disputes is already punishable under state and federal law, the resolution noted. The Hobbs Act is aimed at violence or threats of violence for extortion of money, and the Supreme Court has held that it cannot be used to deal with misconduct during disputes over legitimate labor objectives such as higher wages and better working conditions.



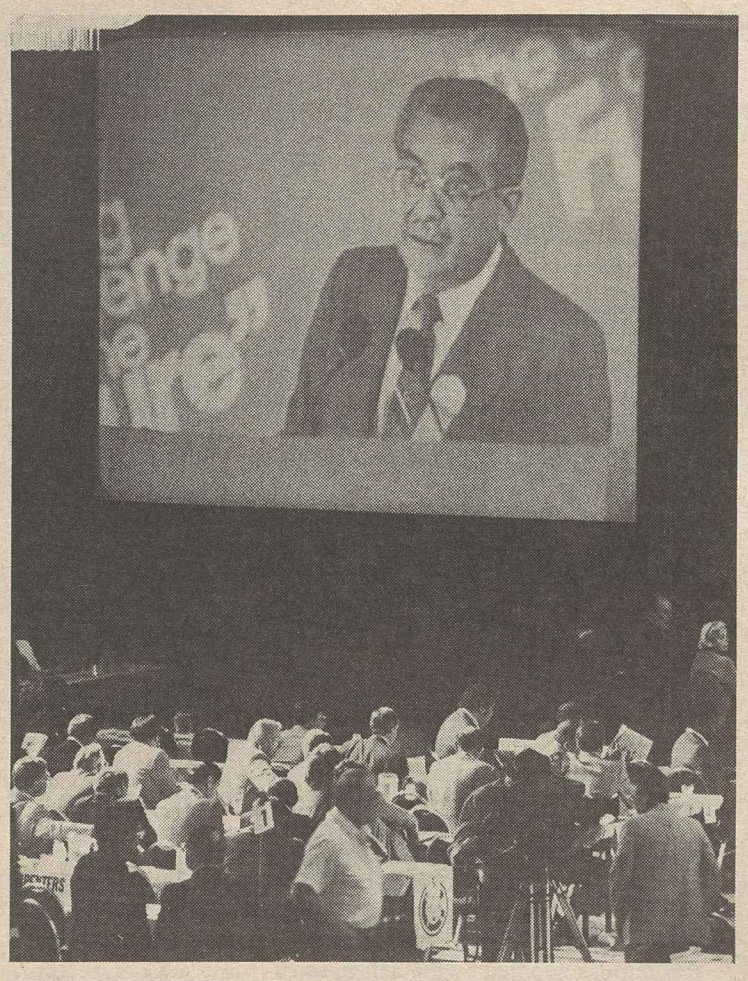
## On camera

State of the art video programming by the Labor Institute of Public Affairs was highly visible throughout the convention.

LIPA'S high-tech output included daily satellite feeds of convention highlights and labor videos to 540 television stations.

LIPA also supplied gavel-to-gavel coverage of speakers and floor debates, projected onto 12-by-16-foot screens, and offered round-the-clock audio highlights of convention activities.

At night and before the morning sessions, delegates could tune in to WORK-TV, a closed circuit television system for labor programs and specials produced by LIPA and AFL-CIO affiliates.



# Steps pressed to fill nation's housing gap

Anaheim, Calif.—Stepped-up housing production and increased availability of affordable capital are vital to meeting the nation's housing needs, the AFL-CIO declared.

The federation called for government programs to help make adequate supplies of capital available at affordable rates for construction and rehabilitation projects, and to reduce inflation of housing prices and rents through increased housing production.

The convention resolution supported standby credit controls, as needed, to assure "adequate funds for reasonably priced mortgage credit for housing," and urged the government to undertake new construction projects, particularly to address the housing problems of the elderly, handicapped, homeless and lower-income families.

### Upgrading needed

"Existing low-income public housing stock should be modernized and maintained in good order," the convention stressed.

"Tens of thousands of people are on waiting lists for availabel assisted housing in cities across the country," while the nu;mber of new public housing units built has dropped from 180,000 units in 1980 to only 23,000 in 1985.

The convention urged expanded union investments in home mortgages, where union pension funds are invested in government-guaranteed, long-term, fixed payment mortgage plans.

# Organizing effort asked to target Latino workers

Anaheim, Calif.—Hundreds of thousands of Hispanic Americans "are looking to you for leadership," Rep. Esteban Torres (D-Calif.) told the convention, as he urged the labor movement to intensify its efforts to "come and organize them."

Torres, a former Auto Worker, said that the Latino community "will be organized," adding: "They understand the unity that we talk about. Theirs is the fastest-growing movement out there."

Commending the federation for its "continued commitment to the Latino workers across this country," he said that labor has "a responsibility to organize them and bring them within our ranks."

Torres, one of the leaders in the House fight for comprehensive foreign trade legislation, said that action is urgently needed to "repair the damage that has been inflicted on the economy and its workers" by Reagan Administration policies.

### Broken promises

In 1981, he said, President Reagan promised the American people increased economic growth, more jobs and an improved standard of living. What they've gotten instead has been "lost jobs, diminished earnings, depressed communities and shattered dreams," he said.

House Democrats, he said, have a comprehensive agenda to restore the American economy. "We plan to attack unfair trade practices, lower the value of the dollar, balance the budget, increase access to foreign markets, and help workers who have lost their jobs to imports."

Bold action is required, Torres told delegates, because "we are living on both borrowed funds and borrowed time."

He said the plan includes measures to penalize unfair import practices and to promote exports with government funds.



Esteban E. Torres

# *Major overhaul demanded for jobless benefit system*

Anaheim, Calif.—With less than a third of the unemployed drawing jobless benefits, and with not a single state providing long-term assistance, the half-century-old unemployment insurance program stands "in serious need of reform," the AFL-CIO convention declared.

At the same time, delegates called the patchwork quilt of state workers' compensation laws "clearly inadequate" to meet today's needs and called for federal minimum standards below which the states could not fall, particularly in the area of occupational disease.

In the resolution on unemployment compensation, delegates demanded Congressional action to restore the system to its original role as "a bulwark of protection for all jobless Americans," and called for:

- Removing harsh eligibility and disqualification provisions which keep millions from the benefit rolls.
- Adopting federal minimum benefit standards and increasing the taxable wage base to at least 65 percent of the average annual wage, to forestall competition among the states for industrial relocation based on the linkage of low benefits and low contribution rates.
- Defeating proposals to shift more responsibility to the states, arguing that this would weaken the historic federal role in the system.
- Enacting a permanent program of aid for the long-term jobless to guarantee benefits for at least 65 weeks.
- Establishing a reinsurance plan to help states meet the "extraordinary costs" they incur during periods of high unemployment.
- Allowing states flexibility in repaying federal loans which help tide them over recession-level case loads.
- Repealing existing taxes which the Reagan Administration placed on unemployment benefits.

On the workers' compensation front, the delegates said the program has failed to live up to its original promise of eliminating the "unjust and chaotic" common-law system of dealing with injury and illness caused by the workplace.

The present program, the resolution declared, has become "saddled with delays, contested claims and disputes over the coverage of occupational diseases."

Because the states have a "poor record of compliance" with the recommendations of the 1972 National Commission on Workmen's Compensation, the convention said, federal action is required "to assure fair and just treatment for those in our society who are suffering from work-related injuries and diseases."

As the first step in this process, the delegates urged Congressional action to "provide compensation to occupational disease victims and those who are disabled as a result of occupational exposure to toxic substances."

The AFL-CIO also called for passage of the High Risk Occupational Disease Notification and Prevention Act, which would establish a system for identifying, notifying, counseling and medically monitoring workers who are at high risk because of exposure to toxic substances in the workplace.

### System not working

In the debate preceding adoption of the unemployment compensation resolution, Wilbur Daniels, executive vice president of the Ladies' Garment Workers, said that the system has been "literally destroyed for most American workers" in the past four years.

"For the vast majority of American workers, the unemployment insurance system might just as well not exist," Daniels said. "For long-term unemployed workers, the unemployment insurance system in effect does not exist."

President Betty Tianti of the Connecticut AFL-CIO, President Julius Uehlein of the Pennsylvania AFL-CIO, and Ronald Richardson of the Hotel Employees & Restaurant Employees in the District of Columbia told delegates that employers have gutted unemployment compensation programs by threatening to move to states with lower payroll taxes.

# Equal opportunities pressed for disabled

Anaheim, Calif.—Federal, state and local action is needed "to insure equal opportunity in employment for all qualified handicapped workers," the AFL-CIO said.

To further the long-standing policy objectives of the federation, affiliates were urged in a convention resolution to:

- Insert clauses in collective bargaining agreements to prevent denial of employment to disabled workers still capable of doing the job.
- Participate in programs to rehabilitate and employ union members.
- Support the President's Committee on Employment of the Handicapped and the Industry-Labor Council.
- Help tear down architectural barriers which deny the handicapped access to the workplace or public areas.
- Work to restore and strengthen nondiscrimination in programs ranging from job training to independent living, protect workers in sheltered workshops,

# Unionists urged to help mark holiday honoring Dr. King

Anaheim, Calif.—The observance of the birthday of Dr. Martin Luther King, Jr., on Jan. 20, 1986, marks the achievement of a goal pursued for 14 years, the AFL-CIO convention said.

In reaffirming its commitment to "bring about the day when the dream . . . of dignity, justice and peace for all shall be fully realized," the federation urged its members to "initiate the observance of Dr. King's birthday by participating in community events that not merely pay tribute to his memory, but that exemplify his spirit."

The unanimously adopted resolution pointed out that the civil rights leader was in Memphis, Tenn., supporting a peaceful struggle of the city's sanitation workers when he was struck down by an assassin's bullet.

Labor's advocacy of a holiday honoring the memory of Dr. King "arose from the conviction that no other American in our time has more fully exemplified the spirit of brotherhood that alone can bring to birth a society of liberty and justice for all," the resolution said.

Teachers Vice President Nat LeCure, speaking on behalf of the resolution, urged that "King's Day not become just another day off from work, but rather a day when we take time to call to the attention of the conscience of America the need to do more" and labor's commitment to do so.

William Lucy, secretary-treasurer of the State, County & Municipal Employees, recalled the sanitation workers' strike in Memphis and noted, "I could not help but be touched by the spirit of those workers and the understanding of Dr. King as to the role that American labor plays in the lives of our people." He said that next January's celebration of King's birthday will give organized labor a chance "to demonstrate the highest calling of our movement."

AFL-CIO Vice President Murray H. Finley, head of the Clothing & Textile Workers, said that "hopefully all of us will use this holiday to rededicate ourselves to the meaning of the labor movement and the civil rights movement and the fight for human dignity by participating in the activities and celebrations that will be taking place.

The King holiday was set by Congress to be the third Monday in January, even though he was born on Jan. 15. In 1986, the holiday will be on Jan. 20.

## Services expanded

# Labor editors fund ILCA expansion plan

By Arlee C. Green

Anaheim, Calif.—Delegates to the International Labor Communications Association convention unanimously approved a two-step dues assessment to fund the upgrading of ILCA services and programs in a move to expand membership.

Although more than 100 publications have been added to ILCA membership rolls in the past two years, nearly as many withdrew because of the 1982-83 Reagan recession and the lackluster economic recovery.

Carolyn Jacobson, director of communications for the Bakery, Confectionery & Tobacco Workers, was elected to a two-year term as president to succeed Robert Kalaski, director of communications for the Machinists. James Cesnik of the Newspaper Guild was elected to a full two-year term as secretary-treasurer, after having been appointed to that post in late 1984. The new terms of office begin next Jan. 1.

AFL-CIO Sec.-Treas. Thomas R. Donahue told the delegates that union communications will be a key to meeting the challenges the labor movement will face in the future. "We can't rely any longer on the single line of communication through the shop steward to reach the members," Donahue said. "We need to develop other lines of communications with the members."

### High satisfaction rate

He noted that recent national polls show that 76 percent of union members are satisfied with their unions. "You can take pride and credit for that," he told the labor editors.

The 152 delegates attended a variety of workshops during the three-day convention, including sessions on investigative reporting, localizing national news, rejuvenating old ideas, use of computers and publication design.

A panel discussion on the "Labor Media—the Best Alternative Going?" featured Murray Seeger, director of the AFL-CIO Dept. of Information, and labor reporter George Laine, president of the Los Angeles Newspaper Guild. Another panel of labor editors—David Mitchell of the Auto Workers, Kim Fellner of the National Writers Union, William Moody of the Graphic Communications Union, and Ken Germanson of the Allied Industrial Workers—discussed "Burned Up or Burned Out."

Screen Actors President Edward Asner and SAG member Mike Farrell discussed the attempt of the right wing to dominate the mass media.

Delegates elected eight new vice presidents to the executive council: Patrick J. Ziska, IAM Report from Headquarters; Merilyn Toro, Label Letter, Union Label & Service Trades Dept.; Susan Phillips, UFCW Leadership Update; Jim Perry, Los Angeles Firefighter, IAFF Local 112; Karen Keiser, Washington State Labor Council Reports; Susan Dunton, Interchange, Railway & Airline Clerks; Marshall O. Donley, Jr., Public Employee, AFSCME, and Patsy Cashmore, Milwaukee Labor Press, Milwaukee AFL-CIO.

### Dues increase

The dues increase would raise both the minimum and rates per thousand circulation in two steps. As an example, dues for a national union with a 200,000-circulation publication would increase from $400 a year to $450 on Jan. 1, 1986, and to $500 on Jan. 1, 1987.

For local union publications under 30,000 circulation, dues would increase from $30-$60 a year to $30-$100. The rate for local unions with more than 30,000 circulation would go from $2 to $2.50 per thousand in 1987 with a minimum annual payment of $120.

Seven council members were re-elected: Jay Bloom, Voice of Local 1, UFCW; Jeffrey Miller, CWA News; Matthew Doherty, New York Teacher; James Earp, Engineers News; Gary Hubbard, Steelabor; Richard Calistri, Labor newspaper, and David Elsila, UAW Solidarity.

ILCA's A. J. Liebling memorial lecture was delivered by Harry Bernstein, labor reporter for the Los Angeles Times.

Winners of ILCA's 1985 film and broadcast, and journalism competitions also were honored at the convention.




Outgoing ILCA President Kalaski and new President Carolyn Jacobson.

# NAACP's Hooks condemns Reagan's civil rights retreat

Anaheim, Calif.—The civil rights and labor movements, allies in "the struggle for equality and a better life for all Americans," today face "the greatest challenge in our historical partnership," declared Benjamin L. Hooks, executive director of the National Association for the Advancement of Colored People.

That challenge is being posed by the Reagan Administration which is "running backwards into the future," Hooks told AFL-CIO convention delegates here. He cited Administration attacks on the equal opportunity employment laws, and its extreme reluctance to take any actions against the apartheid government of South Africa.

"We find ourselves often forced to refight battles we thought we had won," he said.

"We have a Civil Rights Commission that would destroy civil rights, an Equal Employment Opportunity Commission that would gut affirmative action, and a Labor Dept. that until just a few days ago did not even speak to labor, and we have a National Labor Relations Board that is constantly anti-labor," Hooks said.

The Reagan Administration has put the brakes on and reversed the whole concept of equal employment opportunity enforcement, Hooks said, by calling for voluntary compliance rather than strict enforcement.

The reason for this, he avowed, is "because deep in their hearts they do not want to see those who have been cast aside on the road of life to have an equal opportunity to make it."

The mutual efforts of the civil rights and and labor movements helped create the Civil Rights Act of 1964 and the successive laws on voting rights, fair housing and age discrimination, Hooks reminded the delegates. But Reagan Administration officials are "peddling double-talk, trying to convince us that up is down, that right is wrong and that somehow the problems caused by years of systematic discrimination against minorities and women have all been cured," he added.

### Administration retreat

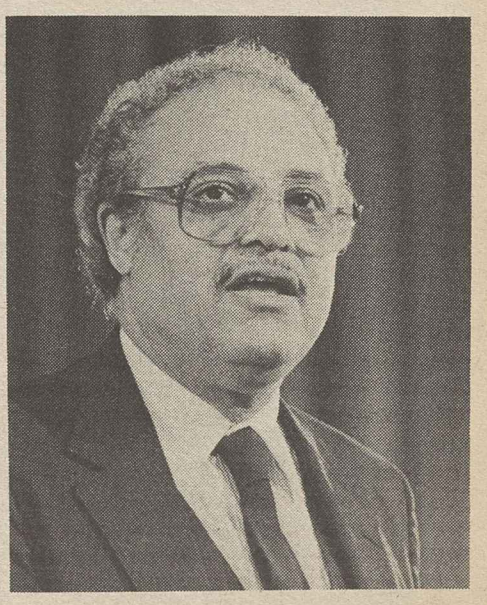
Hooks charged that no recent Administration has been "as anti-labor, anti-woman, anti-minority, anti-human rights, or anti-civil rights."

Attempts by the Administration to "undo Executive Order 11246" concerning fair employment practices were scored by Hooks, who asked for labor's help in seeing that the order "does not bite the dust."

In addressing concerns about employment quotas, Hooks noted that under the EEOC, quotas should be "floors that must be reached," not ceilings that can be used to prevent people from attaining full equality.

American business must use its resources to change the system of apartheid in South Africa, to help build strong labor unions that are multi-racial, or "else they must withdraw from South Africa—planes must not land there, ships must not be unloaded there, and diplomatic relations, if necessary, must be broken in order to bring freedom and justice to our brothers and sisters in South Africa.

"America must use all of its strength to convince the government in Pretoria that this system cannot last, must not last," he said.



Benjamin Hooks

# *Renewed federal programs demanded to eradicate race, sex discrimination*

Anaheim, Calif.—The AFL-CIO convention deplored the Reagan Administration's attacks on civil rights and called for an end to race and sex discrimination through employment, training and education programs.

"The dilution of civil rights law and enforcement by this Administration must be halted and the country must use federal programs to wipe out discrimination," the delegates said.

Federal agencies, including the Equal Employment Opportunity Commission, Office of Federal Contract Compliance Programs and the Justice Dept., should have adequate funding "and more importantly, a commitment to their missions," the convention resolution said.

Further, the U.S. Commission on Civil Rights must be restored to its position of being the watchdog for the nation on the effectiveness of the agencies working to end discrimination, the convention said.

AFL-CIO affiliates were urged to support fair housing legislation that provides enforcement powers.

The federation stressed its "unwavering support for affirmative action" and condemned the Administration's attempt to end such programs.

The Administration "is leading the reactionary effort in the courts to end affirmative action and is taking steps to weaken Executive Order 11246," it charged.

"The Administration seeks to use the civil rights laws to thwart the full political and economic participation of women and racial minorities in our society rather than as a means of furthering that goal."

Delegates stressed that "effective affirmative action plans are as necessary in 1985 as those plans were in 1964" when the Civil Rights Act was adopted.

While Title VII protects nondiscriminatory seniority systems that provide important protection to all wirjersm the law permits workers to negotiate affirmative action plans, including plans that modify such seniority systems.

In protesting any personnel actions taken against persons because of their sexual orientation, the AFL-CIO urged enactment of legislation at all levels of government to guarantee the civil rights of all persons.

Federation affiliates were urged to combat the "fear and intimidation engendered by such hate groups as the Ku Klux Klan" by establishing or expanding educational programs "exposing these groups for what they are in order to effectively counteract their propaganda."

AFL-CIO affiliates were urged to utilize and work with the AFL-CIO Civil Rights Committee and Dept. of Civil Rights, to appoint officers or staff as civil rights and women's rights designees, and to "move ahead forcefully with programs to eliminate discrimination."

President Thomas Turner of the Metropolitan Detroit AFL-CIO told the convention that "our job is not done. The battle is not over. We have made progress in this country...and really the battle is not over until we as minorities get a part of the economic pie."

### Racism persists

Service Employees Sec.-Treas. Richard W. Cordtz, in supporting the resolution, urged the delegates "to resist those who would seduce us into supporting the premise that discrimination no longer exists and that the affirmative action programs which have served us so well have in someway perverted the cause of civil rights... discrimination and racism still exist on a mass institutional scale."

AFL-CIO Vice President Alvin E. Heaps, president of the Retail, Wholesale & Dept. Store Union, said labor must block Administration attempts "to destroy all the gains that we have made for these past 50 years. I don't believe we are going to let them do it."

AFL-CIO Vice President Frederick O'Neal, president of the Actors & Artistes, noted that some unions had not yet named their civil rights designates and urged them to do so.

## Delegates voice concerns on media conglomerates

Anaheim, Calif.—The recent rash of mergers and acquisitions of newspapers, magazines, radio and television stations could lead to "a handful of media moguls controlling the news," the AFL-CIO convention warned as it called on Congress to consider limiting the degree of concentration of media ownership.

Delegates cited Capital Cities Communications' purchase of ABC, the Gannett chain's acquisition of Family Weekly, the Detroit News and the Des Moines Register, and Rupert Murdoch's purchase of seven Metromedia TV stations and half of 20th Century Fox as examples of the unprecedented wave of ownership consolidation.

# Upgrading of nation's transport systems urged

Anaheim, Calif.—On land, sea and in the air, the AFL-CIO convention called for development of "an efficient and diversified transportation system" to enhance the national economy and insure the nation's security.

Delegates took note of the fact that, "without a major federal role, the transportation network—already under stress—would deteriorate further and key parts of the system would be lost.

"Urban transit, the maritime industry, the rail passenger system, airports, air service to smaller communities, intercity bus systems and the highway and bridge system would be in jeopardy."

The convention assailed the Reagan Administration for its efforts to "scale back or terminate the federal role in many essential transportation activities," and said that unless these efforts are reversed, the result would be to "add to the already severe unemployment problem."

In adopting a broad-ranging transportation resolution, the convention took note of these ominous developments:

**Maritime**—The Administration has reneged on its pledge to develop "an ongoing and dependable maritime policy," and has, instead, "attempted to dismantle or cripple" existing programs.

The merchant marine and shipbuilding industries should be put back on a solid foundation by measures that include:

- Continuation of operating and construction subsidies to compete with the fleets of other nations which receive substantial underwriting from their governments.
- Strict adherence to the Jones Act which provides that all goods moving between U.S. ports be carried on American-flag ships.
- Developing a viable oceans policy which recognizes safety and environmental concerns while encouraging development of such new technology as ocean mining and ocean terminal energy conversion.
- Enforcement of cargo preference laws, including the requirement that 50 percent of government-financed Food for Peace cargoes move in American vessels.
- An end to the government's "cynical" support of American business interests which register their vessels under runaway flags to avoid American wage and safety standards.
- Preservation of the right of licensed officers on American-flag ships to join a union—a right being challenged by shipowners "on the unfounded grounds that such personnel are supervisors."

**Railroads**—In each of the past four years, the Administration has targeted railroad programs for cutbacks, and the President's fiscal 1986 budget proposal to eliminate federal funding for Amtrak would deprive millions of passengers of train service and destroy the jobs of thousands of railroad workers.

The Administration's proposal to sell Conrail to Norfolk Southern would reduce competition, raise freight rates and eliminate 10,000 jobs, even though Conrail has become profitable "because of government assistance and sacrifices made by workers."

The convention opposed any attempts to curtail full funding for Amtrak, any effort to reduce or further tax railroad retirement benefits, and supported the public sale of Conrail as an independent company to prevent "further monopolization of the rail system, prevent cost increases, and save thousands of jobs."

It also called for full enforcement by OSHA and the Federal Railway Administration of laws safeguarding the health and safety of railroad workers and the public.

**Air Transportation**—Air travel has been plagued by time-consuming delays resulting from the inadequacy of the air traffic control system, and efforts must continue to rebuild the system which President Reagan "destroyed" at the time that he broke the Air Traffic Controllers in 1981.

Delegates registered their strong opposition to the Administration's budget proposals which would eliminate subsidies for air carriers. These subsidies are provided principally for airlines serving small communities, the resolution said, and their removal would "heighten the disruption" of service to those localities.

Pointing out that Continental Airlines went bankrupt two years ago "to avoid living up to its collective bargaining contract," the resolution noted that Continental is controlled by Texas Air, which this year attempted to purchase TWA. "Airlines operating under the protection of the bankruptcy law should not be allowed to take over or gain control of other airline companies."

The convention also went on record in support of a sweeping program of airline safety geared to a "crashworthy environment in the cabin" to protect the lives of passengers and flight attendants. It called on the Administration to formulate regulations to improve cabin conditions.

**Urban Mass Transit**—Over the past four years, the Administration has repeatedly proposed ending operating subsidies for local mass transit systems.

Such cuts would lead to service reductions, fare increases and wage or job cutbacks, and would increase the burdens on "already financially strapped" states and localities, the convention warned.

At the same time, the convention spoke out against any weakening of workers' bargaining rights, earnings, benefits and jobs, and voiced strong opposition to the Reagan Administration's attempts to assist private companies to compete with public transit systems.

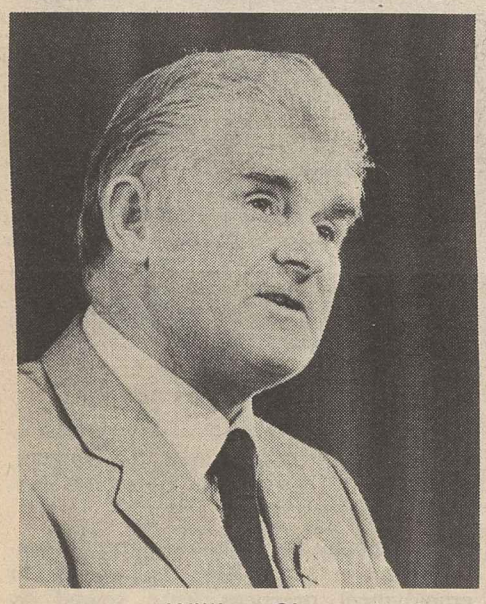
**Highways**—The Administration has proposed an across-the-board freeze on federal aid for highways and bridges which would hold the spending line at fiscal 1985 levels.

Funding for these projects must be "high enough to assure that the federal highway system remains in safe and efficient condition," the convention insisted.

Delegates also urged restoration of Davis-Bacon Act protections for highway workers "to prevent ruinous wage competition" and to guarantee that construction work is of high quality.

**Intercity Busing**—Because of Administration efforts to roll back regulations covering inter-urban bus systems, "jobs have been lost, workers' earnings have declined, and needed service to less populated areas has suffered."

Deregulation has allowed bus companies to abandon less profitable routes, but has not encouraged competition, the convention said.



William Sirs



Dick Martin

# Fraternal delegates stress labor's common concerns

Anaheim, Calif.—Trade unions around the world are encountering similar problems in foreign trade, unemployment, sluggish economic growth and increasing hostility from corporations and governments alike, fraternal delegates told the convention.

Dick Martin, executive vice president of the Canadian Labor Congress, spelled out labor's common concerns. "We know that your struggle is our struggle. Your defeats are our defeats, and your victories are our victories."

The challenges "that you have faced are now facing us," Martin said in addressing the issue of free trade vs. fair trade.

Martin advised the delegates that "your plight on free trade is exactly the same plight that Canadian workers have. We are, in fact, being bombarded by imports from extremely low-wage countries in which dictatorships prevail most of the time."

The CLC has told the Canadian government and the public "that we do not want free trade either," Martin assured the delegates. That extends to Canada's nearest trading partner, too, he said.

## All must benefit

"We do not want free trade with the United States, but what we do want with the United States is fair trade, sectoral fair trade that will benefit the workers of both the United States and Canada. That is one item that we must be united together around between the CLC and the AFL-CIO."

One export from the United States, Martin said, was one that wasn't welcome in his country. "You exported the 'right-to-workers.' Take them back and keep them here and we'll help you kick them out of the United States to someplace."

The "right-to-workers" in Canada call themselves the National Citizens Coalition, Martin said. "They are financed by the same types of companies that financed the 'right-to-workers' down here."

Martin noted that 38 percent of the Canadian workforce is organized. But labor's foes are at work trying to change this. "We are under tremendous attack." he said.

That also was the message from William Sirs, a member of the general council of the British Trades Union Congress.

## Hostility to unions

"The narrow, ideological. and short-sighted hostility toward unions by our government is accompanied by disastrous economic policies," Sirs said. "The hostility of the government amounts to an irrational hatred of unions."

The aim of the government's legislative attacks has been "to narrow the scope for industrial action, to intimidate working people, to interfere in the internal affairs of unions and to weaken the political activities and the associations of our unions."

Sirs charged that Prime Minister Thatcher's government "has done great damage to our economy." Unemployment stands at 13 percent of the workforce, or 3.5 million people, according to the government's figures. Those numbers "have been cooked," Sirs said. "The real number of unemployed, on the former system of counting, is well over 4 million."

Britain's economic stagnation over the past six years shows "that Thatcherism does not work," he stressed in drawing a parallel with conditions in the United States and the policies of the Reagan Administration.

In South Africa, he said, unions of black working people hold the only hope for peaceful transformation from apartheid to a fully democratic and fair society.

The trade union movements in the industrialized countries should do their best to assist in the growth of trade unions in South Africa, Sirs advised.

# *Union role sought in coping with impact of automation*

Anaheim, Calif.—Organized labor must be brought into the picture when new technology is introduced into the workplace, the AFL-CIO convention asserted.

Delegates called for labor-management negotiation of retraining programs to prevent the displacement of workers by technology. They also urged sharing cost savings with workers and said that half of the productivity increase resulting from new technology should be used to reduce the workweek, without cutting wages, in order to boost employment opportunities.

American industry is rapidly implementing the use of computer-controlled machinery, industrial robots and other labor-eliminating techniques, but the benefits are "accruing solely to corporate management," the resolution declared.

Experience shows that technology is making a number of jobs "more routine, more unskilled, more unsafe and more insecure," the convention said. It cited a report by the AFL-CIO Committee on the Evolution of Work showing that "automation and other factors are contributing to a chronic shortage of four to six million jobs"

In a related action, delegates noted that the rapid introduction of video display terminals is affecting the jobs, and potentially the health, of tens of millions of clerical, professional and blue-collar workers.

They adopted a resolution urging affiliates to "fight at the bargaining table and in other arenas for proper training, higher pay, job security and career ladders" for workers using VDTs, and for working conditions that will reduce stress in the VDT environment.

Delegates also called for legislative action to force manufacturers of video display terminals to provide equipment that meets minimum standards for "safe and comfortable operation."

This, the resolution said, should include detachable keyboards, tiltable VDT screens, adjustable screen brightness, adjustable chairs, appropriate desks, appropriate office lighting, and effective shielding from all potentially harmful emissions of electromagnetic radiation.

## Research funds sought to seek cure for AIDS

Anaheim, Calif.—Acquired Immune Deficiency Syndrome (AIDS) is fast becoming a major public health problem in the United States and federal funding for research on its cause, transmission and development and on a search for a cure should be increased, the AFL-CIO convention urged.

The AFL-CIO recognizes that unions have the dual concern of seeking to protect the health and safety of workers occupationally exposed to AIDS and the rights of workers who are AIDS victims and individuals who are at high risk, the resolution said.

The federation urged that the Centers for Disease Control of the U.S. Public Health Service develop and issue guidelines to protect all workers who may face occupational exposure to aids.

# Line-item veto bid seen ideological ploy

Anaheim, Calif.—The "line-item veto" that President Reagan wants would enable him to put an ideological stamp on the congressional appropriations process, a convention resolution warned.

The resolution urged continued opposition to proposals for a constitutional amendment that would allow a President to veto a particular item in an appropriations bill without rejecting the entire measure.

While an item veto has been touted as contributing to fiscal responsibility, the resolution suggested that a President such as Reagan would likely use it "as a weapon of political punishment or to terminate only those spending items determined to be ideologically distasteful."

The solution to the deficit doesn't lie in "constitutional gimmickry," it said, "but rather in correcting the combination of irrational tax policies, excessive defense budgets and high unemployment."

# Restoration of aid to states, cities sought

Anaheim, Calif.—Public services are being squeezed by federal cutbacks and antiquated state and local tax structures, the AFL-CIO convention warned.

Federal general revenue sharing and programs for economic community development, such as those of the Economic Development Administration and urban and community development block grants, should be continued and funded at levels that existed prior to the Reagan Administration, convention delegates insisted.

They called on Congress to reauthorize revenue sharing, which is already some $10 billion less than it was in 1981.

Funding for both operating and capital costs of mass transit systems should be provided from all levels of government to facilitate the access of intercity unemployed to jobs in the suburbs, the AFL-CIO said.

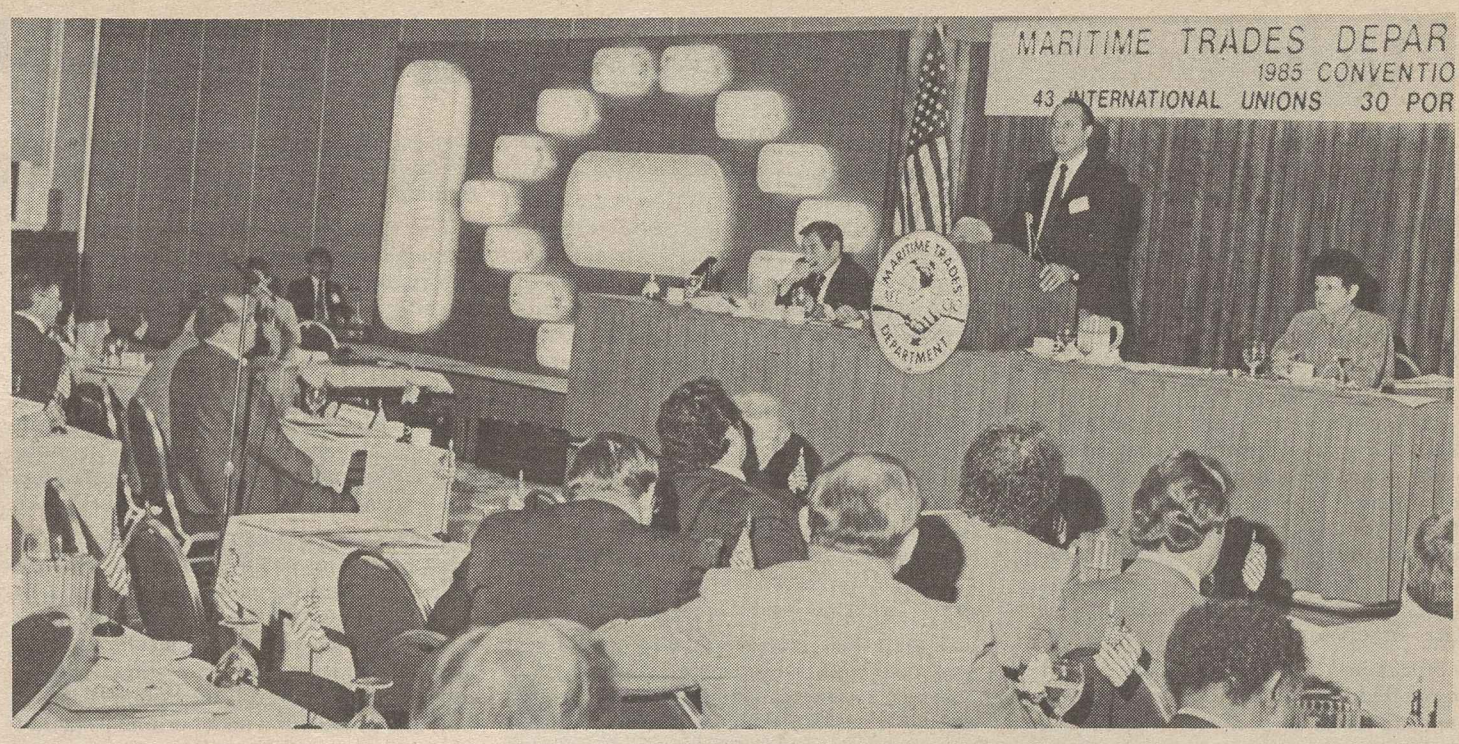
Further, proposals for "enterprise zones" should be rejected because they will result only in giveaways of public revenue and wasteful competition among businesses without any increase in jobs, the delegates declared.

States should use their broader tax base to improve the conditions of their cities, and resist the temptation to boost taxes through user fees and assessments on the goods, services and homes of workers.

Preferential tax giveaways aimed at attracting businesses should be avoided, the convention said.

Instead, tax revenues should be more equitable and more productive, keyed to a progressive rate on individual and corporate income, thereby correcting the regressive slant of sales and excise taxes.

The delegates also strongly opposed the Reagan Administration's desire to eliminate the deductibility of state and local taxes from the federal income tax load, noting that such a measure could make home ownership more costly and make it more difficult for states and cities to raise revenues needed to provide public services.




MTP President Frank Drozak calls for overhaul of U.S. maritime policy.

# Maritime Trades Dept. presses call for revitalization of merchant fleet

Anaheim, Calif.—Decades of neglect that have ravaged the American-flag merchant fleet can and must be reversed, the AFL-CIO Maritime Trades Dept. insisted.

That was the theme of MTD President Frank Drozak's opening remarks to the department's biennial convention here. And it was the thrust of many of the resolutions that were proposed, discussed and voted on by delegates from 43 affiliated unions and from Port Maritime Councils across the country.

Drozak, who is also president of the Seafarers, acknowledged the "tough times" that have overtaken the maritime industry and eroded much of the nation's industrial base. He had sharp words, too, for the anti-labor tilt of the Reagan Administration and for its unconcern about "jobs shipped overseas."

But Drozak told the delegates he was enormously encouraged by the recent 245-179 vote in the House rejecting an attempt to scuttle the cargo preference law through an amendment to the farm bill. As the maritime-linked unions see it, the already decimated merchant fleet would be sunk entirely without the requirement that half of all government-generated cargo be transported in American vessels.

AFL-CIO Sec.-Treas. Thomas R. Donahue also sounded an optimistic note, suggesting in his address to the convention that there has been an important shift in the tide of American public opinion.

### People catching on

Labor is no longer "a voice crying in the wilderness for a sensible trade policy," he said. Polls are reflecting a growing concern over the loss of jobs to the U.S. economy, Donahue noted. "People are beginning to catch on to what's happening to our industrial base and to our maritime base, and that's a good thing."

A comprehensive maritime policy resolution adopted by the delegates noted that only 6 percent of U.S. ocean trade is carried in ships flying the American flag.

The essential first step, the MTD convention urged, is "a national policy which generates cargo for the U.S. merchant marine." An assurance of a fair share of cargo, the resolution suggested, will generate the investment needed to build new ships in U.S. yards and encourage the training of crews in the latest maritime techniques.

The Jones Act, reserving coastal shipping for American vessels, remains "a fundamental component of maritime policy," the convention said, and should be expanded to include all marine operations within a 200-mile zone.

Such an extension, it noted, "would require the use of only U.S.-built and manned drilling rigs, platforms, offshore boats, dredges and offshore mining equipment."

Another section of the policy resolution called for development of the nation's marine resources, including minerals from the sea bed and thermal energy.

Shipbuilding, offshore construction and mineral extraction programs should follow "a buy-American philosophy which will keep American dollars circulating in the American economy and employ American workers," the MTD advocated.

Another convention resolution dealt with the "flags of convenience" that allow shipowners to register their vessels in non-maritime countries in order to escape their own nation's labor and safety standards.

Two years ago, the resolution noted, the MTD urged participation by the United States in sessions of the United Nations Conference on Trade & Development seeking to phase out "flags of convenience" ship registries and require a genuine link between vessels and the flags they fly.

But "regrettably and incredibly," the convention said, the United States has joined with nations that profit from providing flags to runaway ships. As a result, the current draft of an international agreement would actually increase the opportunity for "runaway ship havens," and should be rejected, the MTD said.

Another resolution urged stronger steps—by the United States and other countries—to combat the "deadly, worldwide epidemic of terrorism."

### Other actions

Other convention actions reflected the broad concerns of the trade union movement, such as urging legislation to require advance notice of plant closings, opposing "a discriminatory subminimum wage" for teenage workers, resisting attacks on the Davis-Bacon Act and calling for stepped-up economic pressure against South Africa's apartheid policy.

A floor discussion of a resolution strongly opposing the taxation of employee benefits resulted in telegrams from the unions represented at the convention to each member of the House Ways & Means Committee reiterating labor's position on the issue.

The department's elected officers—Drozak, Vice President Stephen J. Leslie and Executive Sec.-Treas. Jean F. Ingrao—have two years remaining in their four-year terms so there were no elections during the two-day convention.

# *Brock brings olive branch, asks civility in disagreement*

Anaheim, Calif.—Labor Sec. William E. Brock came to the convention with a proffer of cooperation in areas of common concern and an insistence that disagreement between the Labor Dept. and the trade union movement can be expressed without personal animosity.

Brock, who has sought to repair relations damaged during his predecessor's term in office, was praised by AFL-CIO President Lane Kirkland for having kept open lines of communication.

Kirkland told the delegates that one result of this more open approach has been the serious consideration by the Reagan Administration of seeking Senate ratification of several International Labor Organization conventions that the United States delegation strongly supported. This nation's failure to ratify ILO agreements on minimum labor standards and human rights, Kirkland said, has exposed the United States to justified criticism—from its friends as well as its adversaries.



William E. Brock

Brock lauded the AFL-CIO and its unions for having improved the standard of living for all Americans, not just union members.

"You have always fought for the health and safety of all workers," he testified. And labor has "stood firm" on protection of "the right of all citizens to be free from economic, social or political discrimination."

Brock was the U.S. trade representative during the first Reagan Administration and earlier had been Republican national chairman.

### Differences acknowledged

He acknowledged his differences with the trade union movement, but noted that "the strength of our institutions does not depend upon absolute agreement."

Politics, he suggested, is "a healthy contest of ideas."

While making clear that he does not share the AFL-CIO's advocacy of curbs on job-destroying imports, Brock said the drive to make American goods more competitive should be conducted "within the American value system," not outside it.

It must not be achieved through "sabotaging the American worker's standard of living," he said.

Brock told the convention, but without going into details either in his speech or in a subsequent news conference, that he favors expanding "flextime" to the private sector, so that working mothers especially would be able to manage more successfully their responsibilities as workers and parents. He welcomed the negotiation of day care facilities in some union contracts.

Unions, Brock said, have a "responsibility to reflect the values of those who are your members."

The unions of the AFL-CIO, he added, can take pride in having done so.

# Bakery union saluted as centenary nears

Anaheim, Calif.—The AFL-CIO convention saluted the Bakery, Confectionery & Tobacco Workers, which will celebrate its 100th birthday in 1986, hailing the union as "an important and respected voice in the American labor movement."

The BCT and its predecessor unions, the anniversary resolution said, "have done an outstanding job in serving the interests of members in both the United States and Canada," citing, in particular, the efforts to reduce working hours, abolish child labor, improve workplace safety, and secure better wages and benefits.

BCT President John DeConcini expressed his gratitude to the federation's leadership for the assistance it gave in "the fight for a clean union," reminding delegates that the former B&C was expelled from the AFL-CIO for corruption in 1957.

After the American Bakery Workers received a charter from the federation, to retain its ties with the house of labor, it engaged in a 12-year "war for membership" with the B&C. During that same period, he said, a band of officials in the B&C "waged their own war" against corrupt elements in their union and ultimately saw them go to jail.

The two unions reunited in 1969, in what DeConcini said was an "unprecedented" achievement, and now, with the Tobacco Workers who merged with them in 1978, present a united front in the continuing struggle on behalf of working men and women.

# *Fight vowed to restore safety, health protection*

Anaheim, Calif.—Labor's commitment to restoring the integrity of federal safety and health agencies and securing full, effective enforcement of existing regulations was reaffirmed at the AFL-CIO convention.

Delegates also expressed "total support for the concept of health and safety protection for all public employees" in a resolution protesting the lack of coverage for the public workforce.

The labor movement has fought hard over the past five years to turn back most attempts by the Reagan Administration to weaken regulations of the Occupational Safety & Health Administration and the Mine Safety & Health Administration. Instead, labor has forced these agencies to address head-on important safety and health issues, the delegates observed.

OSHA and MSHA only take action when compelled by court order or congressional pressure or in response to tragedies after workers lose their lives, the delegates said.

Gaining issuance of new, effective regulations on asbestos for construction and general industry, benzene, formaldehyde, ethylene dibromide, short-term exposure limit for ethylene oxide, infectious diseases such as Hepatitis B, noise, grain elevator safety, confined space entry and lock-out of dangerous machinery are top priorities, the convention said.

## OMB interference

The federation pledged an all-out effort "to stop OMB interference" in the establishment of safety and health standards. And federal enforcement policy must be changed to prohibit exemptions from inspections, delegates said.

Noting that state and local governments have provided worker protections in the absence of federal action, the convention strongly urged all affiliates and state federations to "support state legislation on video display terminal use and on certification and training for asbestos removal."

The state legislatures in 25 states have provided worker right-to-know protections. Efforts to gain such protections in the remaining 25 states must continue, the delegates stressed, until all workers and members of the public are afforded protections.

The AFL-CIO and its affiliates must train and educate workers and the public about their rights under these laws and make sure the laws are enforced, delegates said.

Workers were also urged to seek enforcement of federal health and safety laws by exercising their rights to file complaints to get inspections. Further, the delegates suggested that where traditional enforcement methods fail to protect the workers, unions should explore the use of product liability suits and prosecution under criminal statutes when manufacturers or employers willfully disregard the law with resulting injury, disease, or death to workers.

The delegates cited the mammoth chemical accident in Bhopal, India, where more than 2,500 persons where killed. No regulations exist yet in the United States to prevent a similar mishap, the delegates noted, pointing to the Union Carbide plant accident in Institute, W.Va. in August when 132 persons were injured.

## Concern for victims

Rubber Workers President Milan Stone, in supporting the resolution, declared that "those victims of Bhopal and Institute, W.Va., are victims no different than victims shot in the street in a violent crime."

In another resolution, the delegates urged federal regulations on hazardous ingredients in cosmetics to protect consumers and barbers and cosmetologists.

# Poverty program cutbacks falling hardest on children

Anaheim, Calif.—In a series of resolutions on aid to poor families, the AFL-CIO called on Congress to take quick action and undo the "serious damage done in the last five years" to programs that are "critical to the survival and well-being of millions of children."

The convention condemned the harsh cuts in welfare programs, pointing out that as a result, the national poverty level had moved to a rate higher than that of the early 1960s, and that young children are now the largest group of poor in America.

The convention noted that poor children and pregnant women have been hardest hit by cuts in federal AFDC spending and cutbacks by states, "resulting in denial of the most minimal needs."

Criticizing the program's capriciousness, the convention pointed out that millions of children—from families on strike, from those who had exhausted unemployment compensation, and from poor, working families—have been denied any help by the program's "outrageously harsh provisions."

"For those very poor who were allowed to receive assistance, payment levels have fallen further below the poverty level," the resolution continued, since AFDC is the only benefit program not indexed against inflation.

Specifically, the AFL-CIO urged Congress to:

- Establish a national minimum standard for AFDC benefits, with regular increases to keep pace with inflation.
- Promote family stability by allowing AFDC benefits where two parents are in need. Currently, in 26 states, needy families are found ineligible or must split up to qualify for benefits. Assistance should also be available to needy individuals and childless couples.
- Abolish workfare programs, where recipients must "pay back" their grants by working for no wages. Instead, the AFL-CIO recommended expanding training and placement programs to provide decent jobs at fair wages.

In a related resolution, the convention charged that deliberate government policies have made hunger "a more severe problem in this country than it has been for over two decades."

Criticizing the Reagan Adminstration's substantial cutbacks in food stamp and child nutrition programs, the convention resolution cited growing lines at soup kitchens, increases in infant mortality in some regions and widespread cases of malnutrition among children, the elderly and the unemployed as evidence that "despite the economic recovery, hunger is getting worse."

The convention also charged that "in addition to trying to dismantle food and nutrition programs, the Administration would force food stamp recipients into jobs for no wages—frequently replacing existing or recently laid-off workers."

# El Al Airlines condemned for attempt to break union

Anaheim, Calif.—El Al Airlines was condemned by the AFL-CIO for provoking and prolonging a 19-month strike by the Machinists through union-busting tactics.

The convention noted that only because negotiations are "underway between the AFL-CIO and the highest levels of the Israeli government is stronger action against El Al being withheld from consideration at this time."

The company's anti-union tactics, the AFL-CIO said, "project an unfair image of the nation of Israel." Despite efforts by the federation and leaders of the Israeli government to bring about a satisfactory settlement, El Al "refuses to carry on good faith negotiations," the resolution stressed.

The convention charged that the strike was caused by management demands for wage concessions, cuts in fringe benefits and elimination of vital work rules. El Al has "refused to bargain in good faith, has repeatedly walked out of meetings, has imported strikebreakers from Israel, has hired union-busting consultants and has caused violence on the picketline," the resolution said.

El Al's attempt to decertify the Machinists as the bargaining agent for the workers by forming a company union was called a "despicable tactic."

The strike at El Al began Mar. 16, 1984, and since July 11, 1984, there has been a national boycott against El Al Airlines.

IAM President William W. Winpisinger told the delegates that a "valiant, courageous band of strikers walk the picketlines at John F. Kennedy Airport in New York City against the lawless conduct of this carrier."

Winpisinger lauded the efforts of AFL-CIO President Lane Kirkland and of Histadrut and its American representatives to gain a settlement. "The carrier even objects to the Histadrut representative sitting with us" at the bargaining table, he pointed out.

# Printing unions plan to resume merger talks

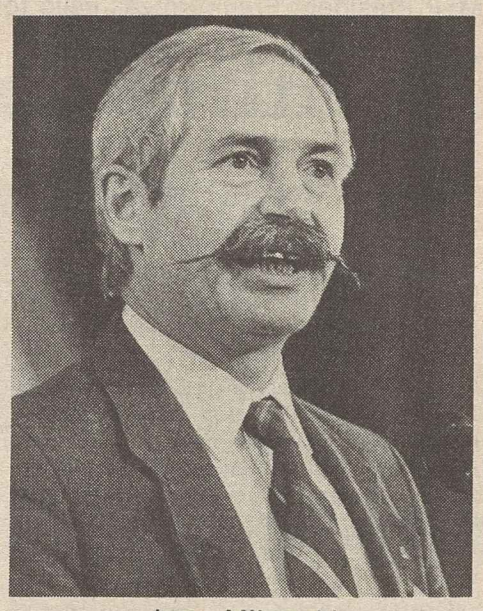
Anaheim, Calif.—Officers of the Typographical Union and the Graphic Communications Union met here during the AFL-CIO convention and agreed to resume merger talks in early 1986.

A meeting schedule will be announced shortly, the two unions said.

In convention action, the AFL-CIO's departments, field staff and state and local central bodies were congratulated for their success in preventing a takeover of the ITU by the unaffiliated Teamsters.

A resolution noted that on the request of the ITU leadership, the AFL-CIO responded with "its full resources and expertise."

This was credited with bringing about the 2-1 ITU referendum vote rejecting the Teamster takeover attempt.



Jerzy Milewski

# Walesa message says Poles still back Solidarnosc

Anaheim, Calif.—The AFL-CIO renewed its pledge of "unstinting support" for Solidarnosc, and convention delegates warmly welcomed a message from Lech Walesa, the shipyard electrician who became the leader of Poland's free trade union federation.

"Solidarnosc lives on," Walesa affirmed in a letter to AFL-CIO President Lane Kirkland. His message was read to the convention by Jerzy Milewski, international representative of the outlawed but still active federation.

Despite the risks, Walesa wrote, Polish workers continue to pay dues and demonstrate their support of Solidarnosc, while shunning the puppet union Poland's rulers sought to impose on workers.

The price workers have paid for supporting Solidarnosc has included dismissals, imprisonment, even death, Walesa reported. But the movement "is rooted in the working people of Poland," and the underground press is active.

## Steadfast friendship

Polish workers appreciate the solidarity and friendship of unions around the world, Walesa said, and especially the "steadfast" friendship of the AFL-CIO.

Walesa expressed hope that one day Solidarnosc will also be in a position "to help those with whom we share common ideals, values and goals."

Milewski told the convention that Polish workers "are struggling for bread and freedom." To them and to other workers under oppressive governments, he said, "freedom is no less important than bread."

The convention resolution called on the U.S. government to reject Poland's requests for new credits and to bring stronger diplomatic and economic pressure on Poland to lift its ban on Solidarnosc and bring about negotiations on economic issues.

It asked free trade unions in other countries to press for a similar policy.

The resolution affirmed Solidarnosc as "the only authentic voice of the workers of Poland," representing "the democratic aspirations of the overwhelming majority of the Polish people."

# HRDI called vital to labor's role in job training

Anaheim, Calif.—Active labor participation can overcome some of the deficiencies of the federal Job Training Partnership Act and open up employment and training opportunities for unemployed workers, the AFL-CIO said.

A convention resolution stressed that the federation's Human Resources Development Institute can contribute significantly to this effort. It called on HRDI to continue its technical assistance to the AFL-CIO's affiliates and central bodies so as to strengthen labor's role in the program.

The resolution noted that JTPA is "woefully underfunded." It criticized both the lack of income support for workers in training programs and the dominance of business interests.

But despite the difficulties, it urged, "labor must solidify and build on gains achieved so far, with a view to moving toward full partnership in the JTPA system."

The convention urged vigilance "to assure that JTPA funds support quality training leading to good jobs." It expressed the labor movement's "deep concern" at repeated Administration efforts to end national funding for HRDI activities and at reductions in funding levels.

The "special expertise" of the HRDI staff is needed, the resolution noted. It urged that HRDI maintain its national program structure so that it can continue its services to labor and the unemployed. Adequate funding by the Labor Dept. is "essential" to that goal, the convention said.

# AFSCME wins vote in 3 Ohio elections

Columbus, Ohio—The State, County & Municipal Employees won statewide collective bargaining rights for three bargaining units with a total of 11,000 workers in a mail vote tallied Nov. 7. A fourth unit of 1,600 health professionals voted for representation by the Hospital & Health Care Employees.

AFSCME and its Ohio affiliate won majorities in an institutional security unit of 3,500, mostly prison guards; in a unit of some 5,800 paraprofessionals in human service jobs, and in a unit of 1,700 food, service, custodial and laundry workers.

The elections were part of a series being conducted to determine union representation for various groups of state employees under an Ohio collective bargaining law that went into effect last year.

# Convention asks support for Idaho R-T-W battle

Anaheim, Calif.—The AFL-CIO and its affiliates will help and encourage an attempt to nullify Idaho's "right-to-work" law prohibiting the union shop.

The Idaho AFL-CIO led a court battle to block implementation of the anti-union law, and carried on a successful petition campaign to put the issue on the ballot in the 1986 general election.

A convention resolution urged "full support" for the effort to kill the law and maintain full bargaining rights in Idaho.

# Label Trades delegates press 'buy union' drive among U.S. consumers

Anaheim, Calif.—The impact of imports on American workers' jobs and the challenge of educating U.S. consumers to "Buy American/Buy Union" were the focus of the AFL-CIO Union Label & Service Trades Dept. convention here.

Key resolutions noted the need to develop a national policy on "fair trade" rather than an unworkable concept of "free trade." The convention stressed the key role of union workers in the marketplace, especially in supporting boycotts.

Label Trades President James E. Hatfield, president of the Glass, Pottery & Plastics Workers, told convention delegates that America's trade crisis "won't be solved by wage-cutting, union-bashing or presidential rhetoric." He noted that President Reagan still holds to an "outmoded notion of free trade."

While most other nations "use some combination of tariffs, quotas, state subsidies, local content rules, restrictive standards and license requirements, and require their trading partners to buy a certain amount of exports," Hatfield said, "we have a President who believes that simply asking other nations to buy our products is enough."

## Sharp reminders

The department's "Buy American" program and the "Do Buy" list of fair employers "are sharp reminders of labor's strength through unity and solidarity," Hatfield assured the delegates. "By supporting union-made goods, we send a message to employers and merchants that working people want the quality of a 'Made in the U.S.A.' label and the dignity of a union shop." And with more than 13 million union members, "that message gets louder everyday," he said.

AFL-CIO Sec.-Treas. Thomas R. Donahue told the delegates, "Talking here about imports and about America's trade problems is surely like talking to those already saved in church. You are in the trenches of that fight everyday."

In his convention speech, Donahue stressed that "a flood of imports continues to drive American-made goods from our own marketplace, draining our jobs and destroying communities. Those imports, most often produced under appalling working and living conditions, are afflicting many of our industries."

He assured the delegates that "in the real world, free trade is a bad joke. There is no such thing as free trade. I think more and more people clearly have come to realize that we have to stop the destruction of our industries and renounce whatever faith people have had in some imaginary free trade system."

## Showcase for unions

Donahue cited the department's Union-Industries Show as an excellent example of labor's using its own resources and energies to showcase the message that American workers can compete with workers anywhere in the world and that they do share their employers' concerns for productivity, profitability and fairness.

Ian E. Reilly, president of the Union Label & Service Trades Dept. of the Canadian Labor Congress, told the convention of the recent successful boycott sponsored by the Food & Commercial Workers against Kresge's department stores, a subsidiary of K-Mart. The boycott strategy included buttons, leaflets, stickers, a song, advertisements, a rally, and the threat of using radio ads made by Vicki Lawrence's character, Mama.

The "attitude in the nation is changing as more and more people are becoming aware of the problems we are facing," department Sec.-Treas. John E. Mara said. "They are becoming aware of the impact of imports on jobs."

## Challenge detailed

The interest in "buy American" has grown, Mara noted, and if "we can convince American consumers to 'buy union,' then they'll know that it was made in America. That's the challenge before us."

Electrical Workers Sec. Jack F. Moore and H. Max Webster, secretary-treasurer of the Aluminum, Brick & Glass Workers, were sworn in as new vice presidents. They were elected by the department's executive board to fill out the terms of former IBEW Sec. Ralph A. Leigon and former Aluminum, Brick & Glass Workers President Lawrence A. Holley, both of whom retired.

The convention's 146 delegates heard two groups of panelists discuss union label and service trades councils and boycotts.

Resolutions adopted by the convention included measures calling for the department to defeat any legislation that targets employee benefits for taxation, urging respect for picket lines, recommending that the union label be attached to work clothes and tools, urging full union support for boycotts, and supporting the A. Philip Randolph Institute and the Davis-Bacon Act.

Other resolutions urged an increase in the federal minimum wage, proposed the creation of broad federal child and dependent care programs, and suggested federal regulation of cosmetic ingredients.



AFL-CIO Sec.-Treas. Thomas R. Donahue at Union Label convention exchanges quips with UL&STD President James E. Hatfield.

# Participation urged in label week, show

Anaheim, Calif.—The AFL-CIO designated Sept. 1-6, 1986, and Sept. 7-12, 1987, as the Union Label Weeks for the next two years and encouraged affiliates to participate in the annual AFL-CIO Union-Industries Show.

In a resolution delegates called on federation affiliates to "renew their efforts to promote Union Label Week" and see that programs of the Union Label & Service Trades Dept. are "given their just due throughout the year."

As a part of the annual label week, state and local central bodies should secure proclamations from governors and mayors calling for observance of Union Label Week, the delegates said.

All affiliates were urged to participate in the annual show to "help assure the success of the show and improve the state of the American labor movement."

# *Sweeping reforms backed to bolster public education*

Anaheim, Calif.—The AFL-CIO convention reaffirmed labor's historic commitment to the public school system and its continued opposition to "vouchers, tuition tax credits or other schemes which would limit student opportunity and weaken public education."

Public schools are "the foundation of our democratic system," delegates said, and offering incentives to parents who put their children in private schools would "divert attention and resources from the real issues of teaching, education reform and adequate financial commitments."

The convention stressed the need for a program of sweeping education reform, including:

- Tests for beginning teachers that would set a high standard of competency.
- Certification requirements that put greater emphasis on competency in the subject matter and less stress on methods.
- Insistence that teacher-training institutions offer programs which provide reasonable assurance that graduates will be competent to enter the classroom.
- Requiring school boards to take affirmative action in hiring minorities as teachers and to remove artificial barriers which prevent qualified minorities from entering the profession.
- Radical increases in pay for beginning teachers and establishment of salary patterns that encourage teachers to stay.
- Greater sensitivity to teachers' needs.
- Implementation of fair and practical methods for removing incompetent teachers.

Labor believes that "every citizen is entitled to free public education of high quality to meet both individual needs and the needs of society," the convention said. "High unemployment, unprecedented budget cuts and demographic changes have had a disproportionate impact on our urban school systems," and federal and state governments must improve education in the central city schools.

During floor discussion, Lawrence Decresce of the State, County & Muncipal Employees in Ohio warned that the Reagan Administration's education budget cuts and its attempts to use tax money to encourage attendance in private schools could lead to "the demise of free public education" in America, leaving inner city schools to "the poor, the deprived and the minorities."

The resolution condemned White House efforts to slash college financial aid for the children of low- and middle-income families, adding: "We reject the notion that workers and their children must assume exorbitant debts in order to realize the benefits of higher education."

At the same time, they urged that consideration be given to establishing a grant program to serve needy adult students taking parttime college courses to help them enter the workforce, retrain for new careers, or gain skills needed for advancement in their present jobs.

## Vocational funds needed

Hailing Congress for enacting new vocational education legislation which added programs for previously unserved groups, the convention urged that funds be appropriated to assist older workers, single parents and displaced homemakers.

The legislation opened the door for labor participation in vocational education and apprenticeship training, the resolution said, and affiliates should work with state bodies in putting union members on advisory councils.

The convention also called for adequate funding for university labor centers, the use of these facilities for union training programs, and collective bargaining agreements that provide funding for labor education.

In a related action, delegates expressed concern that labor is "largely ignored" in public schools, with the result that students lack "objective information to counter the generally negative images found in the media.

AFL-CIO news

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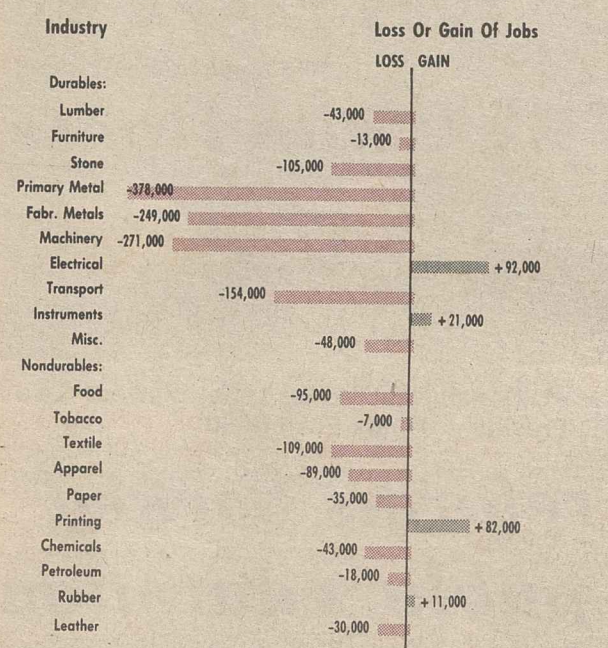
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# AFL-CIO LEGISLATIVE ALERT!

**America's Disappearing Manufacturing Jobs**
Changes In Employment, 1979 To March 1984




**Total Net Manufacturing Loss: 1,489,000 Jobs!**
*Source: Bureau of Labor Statistics*

# House Action Expected Soon On Needed Plant Closing Bill

Foreign imports and the damage they are doing to America's economy are beginning to get the attention they deserve, both in Congress and in the media. But what about the trauma suffered by working communities when corporations suddenly pull up stakes and move their operations?

Often the decision to close is completely unexpected, leaving entire towns devastated, totally unprepared. The AFL-CIO maintains that if a company must close its doors, the owners have a responsibility to the community and the workers. Legislation expected to reach the House floor this week would require companies with 50 or more employees to be laid off to give advance notice and affected workers would have input into the decision to close.

H.R. 1616, sponsored by Reps. William Ford (D-MI), Silvio Conte (R-MA) and William Clay (D-MO) would:

- Require employers to give three months' advance notice before a permanent plant closing. Notice would be given to the employees, the union, if any, and the Federal Mediation and Conciliation Service (FMCS).
- Prevent plant closings unless and until the employer has met with representatives, if any, of the employees, and consulted in good faith for the purpose of reaching a mutually satisfactory alternative or modification to the plant closing plan. Only in the case of "unavoidable business circumstances" could a time of less than 90 days notice apply.
- Direct the Secretary of Labor to take action and seek injunctive relief if an employer has ordered the closing of a plant in violation of the Act.
- Establish a 15-member National Commission on Plant Closings and Worker Dislocation to study and report legislative recommendations concerning closings.

H.R. 1616 is a modest proposal to bring some structured protection to working families, and with 173 House members already signed on as cosponsors, it has a good chance of passage this year. A concerted effort is being mounted by the opposition to thwart the measure.

The most serious threat will likely come in the form of a substitute bill from Reps. Jeffords (R-VT) or Gunderson (R-WI). The GOP version would cut the heart out of the bill by shortening the notice period from 90 to 60 days and greatly reducing its injunctive powers.

H.R. 1616 does not prevent failing companies from closing their facilities. It only gives working families early warning and a voice in the final outcome. To insure its passage, workers should contact their representatives as soon as possible. Make sure they vote for H.R. 1616.

***Action Near On S. 1714***

## *Bill Helps Family Farms, Ups Cargo For U.S. Ships*

A vote on legislation to help America's threatened family farmers is expected soon in the Senate.

The AFL-CIO has supported the farm groups in their quest for legislation to preserve family farms and to provide a satisfactory income to farmers, who consume 40 percent of the goods U.S. workers produce.

An amendment to the Omnibus Farm Bill, S. 1714, will be offered by Senator Tom Harkin (D-IA). It includes a system of voluntary production controls for those involved in feed and grain production.

Under the plan, farmers would agree to limit their production of these commodities in exchange for higher government price supports, a feature considered necessary for many to survive. Under a uniquely democratic plan, participating farmers would themselves vote on whether or not to implement the controls.

Also included in S. 1714 is important cargo preference language insuring that the bulk of these U.S.-produced feeds and grains are shipped overseas in U.S.-flag vessels. Under the existing PL 480 program, 50 percent of these cargos are already shipped in U.S.-flag bottoms. With the new law, this percentage would increase to 75 over the next three years.

## Gramm-Rudman Continues To Bounce Back And Forth

The Gramm-Rudman ping-pong game continues between the House and Senate, with no one wanting to touch the hot potato. On the surface it looks like the members are working to reduce the deficit, but most know in their hearts that the Gramm-Rudman Balanced Budget Amendment cannot and will not do it.

They have also learned that it's possible to raid the Social Security trust fund to keep the government running beyond the budget deadline, so the entire process could continue to drag on.

In the meantime important trade legislation, tax reform and other measures must wait their turn.

## Bill Outlawing Polygraph Could Clear House Soon

The House is expected to move this session on important legislation to protect workers against polygraph interrogation by employers. The bill H.R. 1524 was reported out of the House Education and Labor Committee October 23, and is ready for floor action. 165 House members have cosponsored.

Strong opposition is coming from some corporations and there is a move to retain the demoralizing tests for security guards, jewelers and employees of large drug store chains. Presently, the bill only allows polygraph testing for national security positions and in cases where a drug store has experienced an actual theft.

In the Senate, Orrin Hatch (R-UT) and Edward Kennedy (D-MA) have introduced identical legislation to outlaw these tests, demonstrating the widespread, bipartisan opposition that exists to polygraphs.

## Grassroots Action Helped Move Important Textile Legislation

There is more to grassroots lobbying than winning "right" votes. Recently, activists in Illinois' third congressional district met with their congressman, Democrat Marty Russo. At the same time, workers in South Carolina's fifth district were lobbying Republican John Spratt, both in support of H.R. 1562, the textile bill.

In both cases, grassroots lobbyists came out of their sessions with a commitment, but with an added bonus. The two congressmen volunteered to lobby their colleagues in support of the measure. This member-to-member lobbying proved critical to House passage of the bill.

Meanwhile, activists from the Vermont At-Large Legislative Action Committee thought they had a commitment from Republican James Jeffords on the textile bill. But rumors had it he was considering changing his mind. LAC activists redoubled their efforts and Jeffords remained "right" on the bill.

Members of Iowa's sixth district had a special problem with their congressman -- Democrat Berkley Bedell. His family operates a fishing business that relies heavily on imported items. They would never get his vote, they were told.

But the grassroots lobbyists refused to take "no" for an answer and Bedell finally agreed to vote "present" rather than vote against the bill. Meanwhile, the other five Iowa representatives voted wrong. Every little bit helps!

## *Key Prevailing Wage Victory In Senate*

Anti-worker elements in the U.S. Senate tried to severely limit Davis-Bacon prevailing wage protections for workers on military construction projects November 7, but the measure was ultimately killed by the full Senate.

Senator Mack Mattingly (R-GA) inserted language into the Military Construction Appropriations bill that limited Davis-Bacon protections to only those workers on projects valued at $1 million or more. Under present law, any project valued over $2,000 is covered.

On a procedural vote, senators voted 45 to 49 in support of workers to declare the amendment not germane and thereby strike the damaging language.

AFL-CIO news

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NOVEMBER 16, 1985

# Senate votes to curb imports




## Fighting for their jobs

Texas union members marched through downtown Austin for a "Buy American" rally at the Texas AFL-CIO headquarters. Imports have already wiped out 50,000 jobs in the state. The union demonstrators welcomed Democratic Gov. Mark White's support for labor-backed trade legislation pending in Congress. The governor is flanked by State AFL-CIO President Harry Hubbard and Sec.-Treas. Joe D. Gunn. (Story on Page 2.)

## *White House repudiated on textiles, shoes*

**By David L. Perlman**

The Senate voted 60-39 for a job-saving bill that would set realistic and enforceable quotas on textile, clothing and shoe imports.

The House passed a similar, labor-backed bill last month by a 262-159 vote, and may accept the Senate version to head off any threat of delaying tactics. The White House, which has warned of a presidential veto, had sought unsuccessfully to sidetrack the bill and spare President Reagan a direct confrontation with Congress.

AFL-CIO President Lane Kirkland stressed labor's concerns in an urgent message to every senator on the eve of the vote.

The import-battered textile and apparel industry employs one out of eight industrial workers and the legislation is "crucial" to its survival, Kirkland said. He noted also that the women and minorities who make up a large part of the threatened workforce are least likely to have alternative job opportunities.

Passage of the legislation has been a high-priority goal of the Ladies' Garment Workers and the Clothing & Textile Workers, whose members' jobs are at stake. The two unions helped forge a coalition with textile and garment manufacturers and political allies from both parties.

The Senate included the equally threatened shoe industry in its bill and also adopted an amendment directing the Administration to initiate talks with copper-producing countries in an effort to limit the import share of the U.S. market.

### Roll back imports

The Senate version would roll back textile imports from South Korea and Taiwan—the biggest suppliers—by 30 percent and cut imports from Hong Kong by about 14 percent. Imports from China, Japan, Pakistan, Indonesia, India, the Philippines, Thailand, Brazil and Singapore would be frozen at 1984 levels.

Imports of non-rubber footwear would be limited to 60 percent of the U.S. market. Shoe imports now have taken over about 76 percent of the market.

Despite the Administration pressure, Republicans broke ranks to put a bipartisan stamp on the bill.

On the final vote, 35 Democrats and 25 Republicans voted for the bill; 28 Republicans and 11 Democrats opposed it.

Senate Republican leaders scheduled a vote on the textile import bill after its sponsors agreed not to try to attach it to an

Continued on Page 2

## *House cuts back, then sidetracks plant closing bill*

The House sidetracked a labor-supported bill to require employers to give a 90-day advance notice of plant closings, explain the reason for a planned shutdown, and consider union proposals for alternatives that would preserve jobs.

Passage of a Republican-sponsored amendment that seriously weakened an already modest bill caused its chief sponsors to postpone further consideration of the measure. That kept open the possibility of reshaping the bill to win broader support without sacrificing its effectiveness.

The measure the House debated for most of two days had already been trimmed back from earlier proposals in the hope of gaining broad bipartisan support.

But Republicans voted almost solidly for an amendment that eliminated all requirements for consultation on alternatives to a shutdown, and were joined by about one-fourth of the Democrats.

Continued on Page 6

## Big rise in job injuries tied to enforcement lag

**By Arlee C. Green**

The Reagan Administration's weak enforcement of job safety and health regulations were blamed by the AFL-CIO for significant increases in work-related injuries, illnesses and fatalities.

The Bureau of Labor Statistics's newly published annual occupational injury and illness report for 1984 shows "serious health and safety problems throughout American industry," said Margaret Seminario, the federation's top occupational safety specialist.

"These problems are getting worse," Seminario said. "The statistics confirm that Reagan Administration policies of weak enforcement and deregulation do not protect workers."

The combined injury and illness rates per 100 full-time workers posted increases in nearly every occupational category. In construction, services and wholesale and retail trades, they reached record levels under the Reagan Administration.

An analysis of the survey data reveals:

- The annual increase in the injury and illness rate from 1983 to 1984 is the largest ever since the OSHA survey was initiated.
- There were 565,600 more work-related injuries and illnesses reported in 1984 than a year earlier—an increase of 11.7 percent. Occupational deaths rose by 640 to 3,740.
- For the first time in the survey's history, the rate of "less serious" injuries increased, as did the rate of serious injuries resulting in time off the job.
- The number of occupational illnesses increased by more than 17 percent.

The annual report is based on a BLS survey of about 280,000 employers. More than five million jobsites are regulated by OSHA.

Labor Sec. William E. Brock said he is "deeply concerned and disturbed" by the report and promised to "re-examine, re-evaluate and re-double our efforts to assure we are doing everything possible to make the American workplace as safe as it can be."

Early in the Reagan Administration, OSHA switched to a cooperative approach with business and cut its inspection force by some 25 percent. "Workers are now bearing the scars of that deregulatory effort," Seminario said.

The total incidence of injury per 100 workers in construction, which has been targeted by OSHA for increased on-site inspections, reached 15.4, its highest point during the Reagan Administration. By contrast, the rate was 14.9 in 1981 and and 14.5 in 1982.

The most hazardous occupations were in the lumber and wood products industries where the rate of injuries per 100 workers hit 19.3, up from 18.1 a year earlier.

Injuries in the forestry segment also rose from 9.8 to 13.5 per 100 workers.

Continued on Page 6

## Bishop's freedom letter

**The AFL-CIO is spurring an intensive drive to obtain a million signatures on a "Freedom Letter" supporting Bishop Desmond Tutu's "non-violent fight against apartheid" in South Africa.**

**Moving to implement a strongly worded resolution adopted at the 30th anniversary convention in Anaheim, Calif., President Lane Kirkland called on affiliates to reproduce and circulate copies of the letter so that the signature drive can be completed in November.**

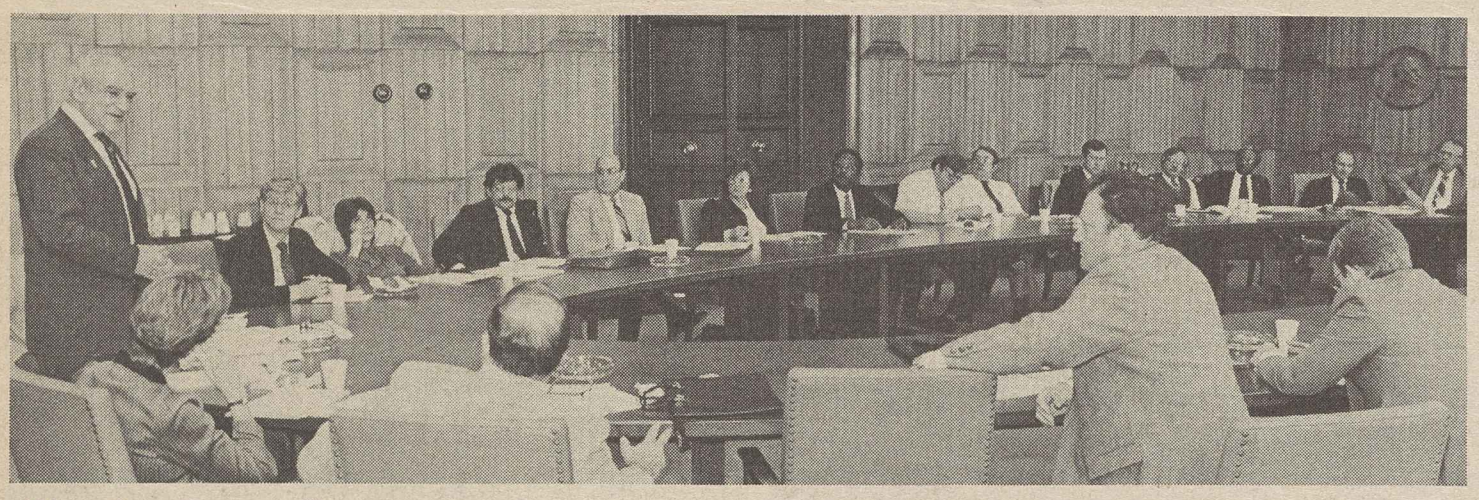
**Quoting the words of the resolution, Kirkland said the petition campaign is to let Tutu "and our black brother and sister trade unionists in South Africa know that Jerry Falwell does not speak for America."**

**On a recent visit to Pretoria, Falwell was critical of Tutu, charging that the bishop did not speak for South Africa's black majority.**

**Kirkland has urged all affiliates and state and local central bodies to return all signed petitions to the AFL-CIO Dept. of Civil Rights as soon as they are completed.**

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# A fair share

Organizing & Field Services Deputy Director Donald Slaiman briefs members of new AFL-CIO committee pursuing full affiliation of union members with state and local central bodies. The 58-member committee, which held its first meeting at federation headquarters, was designated by international union presidents to "aggressively promote voluntary affiliations." The project follows up on a convention resolution which stressed the "critical importance" of the state and local bodies and instructed the federation to pursue full affiliation.

# *ILO prescribes safeguards for all health care workers*

Geneva—A panel convened by the International Labor Organization prescribed better pay, shorter hours and collective bargaining for health care workers through out the world.

The tripartite group—drawn from unions, management and government—called for worldwide acceptance of freedom of association and the right to collective bargaining for all health and medical service personnel.

It found that health workers generally are underpaid in view of the long hours and heavy responsibilities of their jobs.

An ILO statement summarizing the week-long meeting cited "imbalances" in salaries in the health field, especially for women workers. It said the principle of equal pay for equal work must be applied and urged that pay in general be improved in order to attract and keep qualified workers.

Victor Gotbaum, executive director of New York City's District 37 of the State, County & Municipal Employees, said at the meeting's end that health care workers "get the short end of the stick" because they are often not organized and because women make up about 80 percent of the workforce.

The result, he said, is "double discrimination" through lack of representation and sex bias in pay.

Gotbaum, who was the American worker participant in the meeting, said management has argued that health workers should be denied rights that other workers have because of the sometimes "life-or-death" importance of their work. But the pay levels don't reflect that importance, he stressed, and hospital managements have resisted such basic rights as arbitration of grievances.

The ILO statement said that health and medical service employees should have the right to strike in cases where patients would not be endangered.

Any restrictions on the right to strike should be limited to strictly construed essential services, the group affirmed. It said union representatives should be involved in the decision of the functions that should be maintained.

### Shorter hours

The ILO summary also urged a reduction of hours to not more than 40 in a week, and longer hours in an emergency should be offset by longer rest periods.

It called for efforts to assure two consecutive days off for health workers. Under no conditions should an employee have less than 24 consecutive hours off in a seven-day week, the panel said.

It said workers should be allowed to claim exemption from performance of duties that conflict with their religious or ethical convictions, except when emergency treatment is required and no staff substitutions are possible.

The meeting also adopted a resolution urging the ILO to establish a standing committee for health and medical services.

# Teachers hit voucher scheme as assault on public education

Teachers President Albert Shanker sharply criticized a Reagan Administration proposal to replace direct grants to public schools for educating disadvantaged students with vouchers usable in private as well as public schools.

The plan, announced by Education Sec. William J. Bennett, emerged as another attempt by the Administration to get around the Constitution's prohibition against using federal funds to support sectarian schools.

"At a time when every state is focusing vast amounts of attention on improving our schools," Shanker said, "we view this latest attempt to divert money to private schools as a slap in the face."

He predicted that neither Congress nor the public would be "lulled by the rhetoric" of Administration claims that the plan "addresses the needs of the poor."

### Concept challenged

The government currently spends $3.6 billion a year to help local school districts finance remedial education programs for disadvantaged children. Under the proposed legislation, the money would continue to flow to school districts, but parents would have the right to demand vouchers—worth an average of $600 per child per year—to pay for private school tuition or services in another public school.

Bennett rejected charges that it was an attempt to find a new way to underwrite sectarian schools with federal dollars, contending that the money would go to parents rather than to particular schools.

The proposal, he said, would spur "a healthy rivalry" between public and private schools—the same catch-phrase he has employed in the past to describe Administration initiatives in support of private education.

Shanker pointed to studies made by the Dept. of Education which show dramatic gains in the reading skills of students receiving services under the present system. The Administration's plan, he said, "represents the cannibalization of a program with a proven track record."

# Transit workers balloting on new Greyhound offer

Phoenix—With jobs disappearing at Greyhound Lines, Inc., 10,000 members of the Amalgamated Transit Union have begun balloting on a new long-term contract that would guarantee employment to drivers and maintenance workers with 10 years of service.

The new contract, which would run through Oct. 31, 1989, would also give "voluntary separation incentives" ranging from $5,000 for furloughed workers with five years of service to $1,000 for active employes with two years of service. It would also provide retirement supplements for those taking early retirement.

The dwindling employment is the result of a company plan to eliminate 2,500 jobs at its terminals over the next four years by turning their operation over to "commission agencies." It promised to give ticket agents and baggage handlers "preference" when it selects the commission agents.

### Shutdown threat

Although the existing agreement negotiated after a seven-week strike in 1983 still had a year to run, the company forced reopening of the contract under a threat to shut down major parts of its operation and turn them over to a non-union subsidiary.

The company said it would close its entire New England operations and shift the business to Vermont Transit, a partially owned non-union subsidiary. The ATU said similar moves were threatened in Texas, New Mexico, Oklahoma and Tennessee.

The ATU's Council of Greyhound Local Unions voted to send the proposal out to the members without a recommendation, after the panel narrowly defeated a move to reject it.

The contract would freeze wages for the next four years and eliminate cost-of-living allowances scheduled for May and August 1986.

The only exception would be a 7.8 percent increase for maintenance workers, bringing their pay to $10.57 an hour. The company also agreed to increase health and welfare contributions from $100 to $120 per month per employee.

# Senate adopts labor-backed import quotas

**Continued from Page 1**

unrelated, Administration-sought measure.

A filibuster threat was quickly squelched by a 91-6 vote to limit debate, and a series of labor-opposed amendments that would have weakened the legislation were defeated by approximately two-to-one margins. An example was an amendment by Sen. Phil Gramm (R-Tex.), who termed Hong Kong "a paragon of fairness" in trade relations and sought to exempt it from trade restrictions. His amendment was rejected, 68-30.

In the heated debate over trade legislation, the White House and retail trade associations raised the specter of higher prices for consumers if import curbs were enacted.

But supporters of the measure countered that argument by displaying clothing purchased from the counters of leading stores. Clothing items made abroad, were found to be selling for the same price as those made in the United States.

Earlier this year, the International Trade Commission found unanimously that the U.S. shoe industry had been seriously damaged by imports and recommended that President Reagan place quotas on footwear imports retailing for more than $5 a pair.

Reagan rejected the recommendation, dooming another American industry to virtual extinction. The Senate's addition of shoes to the import quota bill dissented from this presidential verdict.

# Patty Duke heads Screen Actors

Hollywood, Calif.—Oscar and Emmy Award winner Patty Duke was elected president of the Screen Actors Guild.

She is the second woman in SAG's 52-year history to hold the top elected post.

Duke won 58 percent of the ballots cast in a four-way race for the presidency. She received 10,831 votes compared to 7,419 for her nearest competitor, Ed Nelson.

She succeeds Edward Asner as president of the 58,000-member union. Asner, who did not seek re-election, won a newly created seat on SAG's board of directors.



Patty Duke

# Texas labor mounts anti-import drive

Austin, Tex.—Fighting back against imports that have already destroyed more than 50,000 jobs in this state, Texas union members have rolled up their sleeves and launched a "Buy American" counterattack.

Braving a driving rain, 5,000 union members gathered for a massive rally outside the Texas AFL-CIO headquarters here, one block from the state capitol, after marching through downtown Austin.

Standing in front of a 96-by-18-foot "Buy American" banner which covered the entire front of the federation's office building, State AFL-CIO President Harry Hubbard said the rally was "only the beginning" of a long-range campaign to put Texas industries back in business and workers back on the job.

The backdrop included charts showing the relationship between the sharp increase in the trade deficit and the disappearance of Texas production jobs.

Over 50,000 workers have lost their jobs in the state's steel, oil refining, textile and clothing industries because of imports, Hubbard said as he issued a call for a coordinated plan of mass media and targeted direct mailings to push American-made goods.

It will be the same kind of all-out labor effort, he said, "just like we would use if we were running a political campaign."

### Decisions needed

Sen. Lloyd Bentsen (D-Tex.), the keynote speaker at the rally sponsored by the state federation and 18 national and international unions, threw down the gauntlet, declaring:

"The leaders of this country have to decide who they are for—the Port of Hong Kong or Port Arthur, Tex.; Seoul, Korea, or Daingerfield, Tex.; Tokyo or Houston."

Port Arthur is the home of the state's largest oil refineries and Daingerfield is a small East Texas town where employment at the import-battered Lone Star Steel Co. has plunged from 5,000 jobs to only 2,000.

Bentsen, co-author of legislation to slap a 25 percent tariff on products from countries which erect trade barriers against U.S.-produced goods, said that "more and more, people in both parties are saying they want a fair trade bill passed now."

Gov. Mark White (D) threw his full support behind trade restrictions, particularly on oil and refined oil products, in order to bolster the state's sagging economy.

Just the day before the rally, the U.S. Dept. of Labor released figures showing that unemployment in Texas stood at 8.1 percent—a full percentage point above the national average.

It marked the first time since unemployment records had been kept by the state that Texas joblessness was higher than the national average, Hubbard told the rally. The job loss, he said, was "a direct result of imports."

# Compromise on overtime gives public employees long-overdue protection

President Reagan signed into law an amendment to the Fair Labor Standards Act that left both sides to a once-bitter dispute satisfied.

Its enactment was hailed as a demonstration that the give-and-take of the bargaining table can be equally useful in the shaping of legislation.

At issue was overtime coverage for employees of state and local governments, who had originally been excluded from the Fair Labor Standards Act.

Congress voted to bring them under the wage-hour law in 1974, but the extension never went into effect because of a 5-4 Supreme Court decision that it would violate the states' rights clause of the Constitution.

The constitutional challenge was brought by the National League of Cities, representing public employers. The decision, which stood for 10 years, was referred to as the National League of Cities case.

But earlier this year, the Supreme Court had second thoughts and a switch of one vote reversed the ruling.

Local and state governments appealed to Congress for relief against what they claimed would be huge overtime costs. At their prodding, bills were introduced in both the Senate and House to remove public sector workers from the overtime pay requirement.

Unions representing public employees fought the takeback legislation and accused mayors and governors of exaggerating the cost. Good management could minimize costs, the unions asserted. And the arguments being raised against coverage, they noted, had been considered—and rejected—by Congress when it enacted the 1974 law.

With the outcome uncertain, both sides and key members of Congress from both parties began informal talks that led to the breakthrough agreement that quickly was enacted into law.

The legislation allows local and state governments to reach advance agreements with their employees to substitute compensatory time off for overtime pay after 40 hours a week. But "comp time" must be computed at the same time-and-one-half rate as cash payments. Thus, a 42-hour workweek would entitle a worker to three hours of paid leave.

### Key breakthrough

Establishment of time-and-one-half principal for compensatory time off as well as cash payments for overtime was regarded as a major breakthrough by the public sector unions.

The legislation defers the enforcement of the overtime pay requirement until April 1986. It limits the accumulation of compensatory time off to 240 hours for most workers and 480 hours for public safety and emergency workers. After the limit is reached all overtime must be paid in cash. The bill also prohibits public employers from retaliating against workers who assert their rights to overtime compensation.

In a letter urging congressional support of the negotiated agreement, AFL-CIO Legislative Director Ray Denison termed the measure "a carefully balanced approach" that "preserves the integrity of the Fair Labor Standards Act, which is so vital to the interests of employees, while addressing the concerns of public employers."

Labor Sec. William E. Brock termed the outcome "a responsible consensus" achieved through "tough bargaining on all sides."

## Auto Workers get pattern gains in Dynamics accord

Detroit—The Auto Workers ended a seven-week strike against five General Dynamics plants, ratifying a contract patterned after the recently negotiated UAW agreement with Chrysler Corp.

The three-year contract, retroactive to June 5, provides a $2,000 up-front bonus for 5,000 production workers plus a 2.25-percent wage increase this year. Workers will also receive a lump-sum payment in the second year equal to 2.25 percent of their base wage, and a 3-percent pay hike in the third year.

UAW Vice President Marc Stepp said that the key to the settlement was the company's pledge not to discharge 101 union members accused of picketline confrontations.

As soon as the contract was ratified, by a 53.4 percent vote, workers began returning to their jobs at installations in Michigan, Ohio and Pennsylvania where the company produces Army tanks under a long-term contract with the Defense Dept.

White-collar workers at the five plants settled their contract in June.

The UAW called the General Dynamics agreement the union's "best defense contract."

### United Garment Workers move offices to Nashville

Nashville, Tenn.—The headquarters of the United Garment Workers was moved to Nashville after 94 years in the New York City area.

The relocation brings the 28,000-member union and its general office closer to members in the South and Midwest, UGWA President William O'Donnell said.

The union will celebrate its 100th anniversary in 1991.





## Women's work

"Women of Steel" won first place in the prestigious Women at Work Broadcast Awards, sponsored by the National Commission on Working Women. The documentary examines the lives of three women steelworkers who must readjust to low-wage "pink-collar jobs" following layoffs from mills in western Pennsylvania. Beth Destler, Steffi Domike and Linny Stovall, all former steelworkers, and Allyn Stewart produced the documentary with financial help from the USWA and the Labor Institute of Public Affairs. Sherrie Ortallona, left, worked nine years at Monessen's Wheeling-Pittsburg plant.

## Pilots end Continental strike, gain senority, severance pay

Houston—Air Line Pilots—on strike against Continental Airlines for the last two years—began returning to work after a final, binding, non-appealable court order that ended one of the longest pilot walkouts in history.

Bankruptcy Judge Glover Roberts ordered the airline to provide seniority protection for returning pilots, grant severance pay for those who choose not to go back to Continental, and reinstate pensions which the company had withheld since the strike began on Oct. 1, 1983.

As a result of the settlement, the AFL-CIO Union Label & Service Trades Dept. lifted its nationwide boycott against the airline. The boycott was put into effect in December 1983.

ALPA members are going back to work, with full seniority rights, as positions become available. Those who elect the severance option will receive up to $4,000 for each year of service to provide a financial cushion while they make the transition to another airline or another career.

"As with all third-party decisions, we didn't get everything we wanted," said ALPA President Henry Duffy. But seniority reinstatement, severance pay and the retirement fund issue "were on the top of our list," he added.

The Machinists and an unaffiliated flight attendants union which also walked out in 1983, settled their contract disputes with the airline six months ago. With the return of the pilots, "the Continental strike has now ended," Duffy said.

The dispute was precipitated when Continental filed for bankruptcy on Sept. 24, 1983, abrogating its collective bargaining agreement with the unions.

In the wake of Continental's action, federal laws were revised to prevent other companies from using bankruptcy proceedings as a shield behind which to hide their efforts to break union contracts.

# *Unions call for broader job safety, health laws*

Two panels of union representatives, testifying at separate House hearings, urged legislation to alert workers to occupational health risks to which they have been exposed and backed a bill establishing a federal system of compensation for victims of occupational diseases.

Both measures were strongly supported in a resolution on workers' compensation adopted at the recent AFL-CIO convention.

AFL-CIO Legislative Director Ray Denison, with Industrial Union Dept. President Howard D. Samuel and Building & Construction Trades Dept. President Robert A. Georgine, testified to the inadequacy of state compensation laws in dealing with the long-term consequences of exposure to asbestos and other disease-causing substances.

They told a House Labor Standards subcommittee headed by Rep. Austin J. Murphy (D-Pa.) that a federal law is needed because less than 10 percent of occupational disease victims are compensated under state programs—and in almost all cases only after lengthy and costly court battles.

The union witnesses urged approval of the bill introduced by Rep. Pat Williams (D-Mont.), which would set up a federal program to compensate persons disabled by exposure to asbestos fibers in the workplace, and establish procedures for designating other occupational ailments as eligible for the federal compensation program.

"One out of every four blue-collar workers will die from occupationally related cancers," Denison reminded the subcommittee. By the end of the century, deaths from asbestos alone are expected to reach 200,000, he said.

The labor-supported bill would eliminate the present need under state laws for stringent proof of the link between a disease and its occupational cause. Thus a worker exposed to asbestos who is stricken by a disease caused by exposure to asbestos would be entitled to compensation.

### Damage suits

The Williams bill would also allow workers to sue third parties responsible for their ailments, such as the manufacturer of a hazardous product. But any compensation paid under the federal program would be deducted from the amount received through a court suit.

Both Samuel and Georgine strongly endorsed the bill's procedure for adding occupational illnesses other than those linked to asbestos to the compensation list on the basis of medical research.

Samuel noted that conventional state laws require a cause-and-effect proof that is almost impossible to demonstrate in many late-developing occupational illnesses. Georgine cited examples of the many hazardous substances that construction workers encounter on the job, and noted that the most recent employer might bear little or no responsibility for the toxic exposure.

In a related area, a House Subcommittee on Health & Safety heard strong labor endorsement of a bill introduced by Subcommittee Chairman Joseph M. Gaydos (D-Pa.) to require notification and medical examination follow-ups of workers who have been exposed to hazardous substances.

Margaret Seminario, associate director of the AFL-CIO Dept. of Occupational Safety, Health & Social Security, said existing requirements for medical surveillance of workers exposed to toxic substances or high noise levels apply only to the present workforce.

There is no monitoring or notification requirement for workers who were previously exposed, she stressed.

Sheldon Samuels, who heads the IUD's safety and health department, charged that government agencies that are supposed to be concerned with the welfare of workers have caved in to pressures from business trade associations. Opposition to the Gaydos bill from the Labor Dept. and the Dept. of Health & Human Services "is being coordinated by the Office of Management & Budget," Samuels charged.

Two Auto Workers' health experts, Dr. Franklin E. Mirer and Dr. Michael A. Silverstein, said health hazards can be minimized through effective government programs, but there are too many cases where this isn't being done.

### Wider federal role

Steelworkers Legislative Director John J. Sheehan noted that the Gaydos bill would expand federal research to identify groups of workers at risk, as well as establish a federal program to notify exposed employees and former workers, and provide medical testing.

"This is a good bill," he testified, "a workable bill, a reasonable bill."

Dr. Kenneth Miller, occupational health physician for the Oil, Chemical & Atomic Workers, told the subcommittee that the National Institute for Occupational Safety & Health has information pertaining to the health risk status of hundreds of thousands of workers who have not been notified that they are in a risk category "and thus cannot act to protect themselves." Other government agencies have similar knowledge, he said, urging action on the legislation.

## 50 years ago . . .

# Birth of the CIO bolsters cause of industrial democracy

**By Henry C. Fleisher**

Fifty years ago—on Nov. 9, 1935—a new, exciting and turbulent epoch in the history of American labor was opened with a low-key announcement from John Llewellyn Lewis, president of the United Mine Workers. Together with seven other AFL union leaders, he revealed the establishment of a new Committee for Industrial Organization—the CIO.

The committee's purpose: "to encourage and promote organization of the workers in the mass production and unorganized industries of the nation . . . its function will be educational and advisory . . . other organizations interested in advancing organization work along the lines of industrial unionism will be invited to participate . . ."

That announcement marked the beginning of a new labor movement. Within months, the CIO was functioning as an independent entity with a Washington headquarters; it had a score or more of affiliated unions; it had launched major and ultimately successful organizing campaigns in the steel, auto, rubber, glass, textile, packinghouse and other industries; it had garnered a vast amount of national attention, and outpourings of both love and hate for the dramatic figure of Lewis; it had been branded as a rival, dual organization by the AFL, and its unions were eventually expelled; it was emotionally hailed for its contributions to furthering the cause of "industrial democracy" and condemned—sometimes hysterically—for various arrangements through which it utilized for several years the talents and received the support of American communists and fellow travelers.

The CIO increased the rosters of its affiliated unions up to a claimed four million members within just three years—and paradoxically nudged the leadership of the AFL into financing its own organizing activity which brought in, by the end of World War II, even more members than the CIO could claim.

Was it the purpose of the founders of the CIO merely to push the cause of industrial unionism within the existing structure of the AFL? Or, as some of its most active adversaries in the AFL continually claimed, was the real intent to form a rival labor federation?

### Question of flexibility

Professor Walter Galenson of Cornell University, in his carefully researched volume "The CIO Challenge to the AFL" (Harvard University Press, 1960) concludes that most of the original CIO group would have been content if the AFL leadership had been more flexible on the industrial union issue. But he infers from some remarks of Lewis, and some unilateral actions by the CIO leader, that Lewis may from the beginning have sought to create a rival federation. On the other hand, Galenson found words of William Green that suggested that a deep seated skepticism that the steel industry could ever be organized—a belief that might have led to a less than flexible reaction to the CIO proposals.

Thus, however restrained the actual words of the original CIO declaration may have been, the decision to form a committee without advance consultation with the AFL leadership was bound to be inflammatory. It marked a new eruption in a dispute that had wracked the American Federation of Labor for more than two years—whether industrial (or "vertical") unions should be given full jurisdiction in the great mass production industries which had resisted union organization for decades, or whether a place existed in these industries for the extension of craft (or "horizontal") unionism.

Lewis and his allies among the industrial unions argued that the success of organizing those corporate bastions depended on assuring the workers that they would stay united, in one bargaining unit—not "carved up" into various craft groups. To do so, he argued, would be to dissipate union strength and discourage workers from signing a union application card.

To many of the craft union leaders in the AFL, however, that view ignored the successful tradition of craft organization which had permitted the unions of the AFL to survive during a period—in the 19th and early 20th century—when various industrial union movements had bubbled up and as quickly deflated and disappeared.

The craft-industrial union issue had been a major preoccupation of the 1934 AFL convention in San Francisco. There, after several days of behind-the-scenes meetings, the resolutions committee brought out a compromise resolution. It had been negotiated by Lewis and Charles Howard of the Typographical Union, as spokesmen for the industrial union bloc; and by Matthew Woll, president of the Photoengravers and chairman of the resolutions committee, and John P. Frey, head of the Metal Trades Dept., two leading exponents of the craft union position.

### An unsettling question

The resolution was interpreted by the New York Times and others as a clear victory for the industrial union forces, and Lewis complimented the committee for its report. But Arthur Wharton of the Machinists and W.L. (Bill) Hutcheson of the Carpenters, both strongly oriented to the craft union position, asked a number of questions about the effect of the resolution and "appeared to be satisfied." That suggests that they felt the language contained sufficient safeguards for the craft union position. Perhaps the most enthusiastic statement came from President Frank Martel of the Detroit Federation of Labor—who had been in the center of swirling craft-industrial disputes in the auto industry; he said, optimistically, that the report "settles that question for all time." But a year later, events proved that the dispute was far from settled.

The 1934 compromise language expressed recognition of the value of the industrial union form of organization in the mass production industries even though, the majority report said, "craft organization is most effective . . . where the nature of the industry is such that lines of demarcation between crafts are distinguishable." So the convention told the executive council—now expanded, after some campaigning by Lewis, from 11 to 18 members, to use its good judgment on these matters. The council—with only a small number of industrial unionists—then offered to the Rubber Workers and the Automobile Workers charters which straddled the issue.

At the 1935 AFL convention, it was clear to the industrial union group that the 1934 resolution on union jurisdiction had proven to be far from effective. A URW delegate said that craft unions had taken members organized by his industrial union, and that the Rubber Workers would "never again" permit such a development. Emotions ran high. President William Hutcheson of the Carpenters at one juncture offered a point of order that the industrial union question had already been disposed of. John L. Lewis moved over to talk with Hutcheson, and in a few moments blows were struck as the two rather stately and substantial gentlemen fell to the floor. ("He called me a foul name," Lewis told Louis Stark, the labor reporter of the New York Times.)

### The conflict rages

For the next several years, the conflict between the AFL and the unions of the CIO was waged on many fronts. In Washington the battle was carried on in a framework of diplomatic struggle.

For the AFL, the issue had moved from the narrow policy issue of industrial vs. craft unionism to a question of organizational integrity. The CIO was a "rival, dual" organization, said the AFL's strict constructionists. Let it dissolve its structure, let it relinquish its "disruptive" activities, let its unions return individually to "the house of labor"—and then a new look could be taken at the most appropriate form for unions in the mass production industries.

For Lewis and increasingly for his associates in the CIO leadership, the AFL offer was not good enough, by far. In the CIO view, the intransigence of the AFL's "old line" leadership had forced the industrial unions to act as they had. To "return to the house of labor" implied both a sense of guilt and of contrition which they did not feel. At least in the early years, moreover, there was an attitude upon the part of many CIO people that they were "the wave of the future," that their organization would soon be the dominant force in American labor . . . that the AFL would eventually be left with few unions outside the building trades. Somewhat later, Lewis still further enraged the craft unionists by blandly announcing one day the creation of a "United Construction Workers Organizing Committee" to bring industrial unionism to the construction industry. Except in a few places where Lewis had political influence, it enrolled only insignificant members of workers.

Lewis frequently took a stronger, less diplomatic position on the role of the CIO than some of his colleagues. Both Sidney Hillman of the men's Clothing Workers and David Dubinsky of the Ladies' Garment Workers spoke at times of achieving the limited objectives of industrial union organizing with minimum damage to relationships with the AFL, and of re-creating labor unity.

The first secretary of the CIO, President Charles P. Howard of the Typographical Union, tried to play peacemaker while stressing his personal belief in the industrial union position. Howard's role, however, was complicated by the fact that he was in the CIO as an individual; the ITU never affiliated with the new group, although it officially permitted Howard to function. After Howard's death in 1937, the ITU played little part in CIO affairs.

In November 1935, only 14 months after having been elected to the expanded AFL executive council, Lewis resigned from that AFL body, apparently without consultation with his CIO associates. Explaining the CIO viewpoint to the public for the first time in a national radio speech, Lewis talked of the "tragic failure" of the craft unions. The CIO's purpose, he said, is to "encourage the formation of industrial unions . . . in the steel, automobile, rubber, glass, textile, radio and all other basic industries. We have no opposition to craft unions which are established and successfully functioning . . . . We hope that the significance of our movement will not be misunderstood." It was the CIO's belief, he maintained, that "this is not a conflict among unions or a striving for power among organized labor groups." Rather, in the Lewis view, a successful effort to organize the unorganized

*The author had been director of publicity for the CIO and served as publications director for the AFL-CIO from 1955 to 1958.*

## Leading the way

**Evidently, the first plans for creation of a CIO were discussed at an informal meeting in Atlantic City, N.J., during or immediately after the AFL convention of 1935.**

**In attendance were presidents of five unions: John L. Lewis, Mine Workers; Charles Howard, International Typographical Union; Sidney Hillman, Amalgamated Clothing Workers, and David Dubinsky, Ladies' Garment Workers.**

**An expanded group met for the same purpose—promoting industrial unionism—on Nov. 9, 1935. In addition to the "founding four," the new Committee for Industrial Organization included President Thomas McMahon of the United Textile Workers, Harvey C. Fremming of the Oil Field, Gas Well & Refinery Workers, Thomas Brown of the Mine Mill & Smelter Workers, and Max Zaritsky, head of the Cap & Millinery Workers Union.**

**While Howard was active for the few years before his death, the ITU never affiliated with the CIO. Dubinsky and Zaritsky, with concern and reservations about the wisdom of establishing a rival group, led their unions out of the CIO before its founding convention in 1938.**

**John Brophy, a Mine Worker who had had differences with Lewis in the past, was the first member of the CIO staff; he was named its director at the November 1935 meeting.**

would spare America a repetition of what happened to the unions of Nazi Germany and Fascist Italy—destruction at the hands of hostile political and economic forces.

Various people tried to head off a complete break between the new CIO committee and the federation. AFL President Green wrote to each member of the new CIO group urging that it be disbanded, since all unions were bound by the policy decisions of the AFL convention and since the CIO would inevitably be considered a dual organization. The always dramatic Lewis responded with a letter to the rather mild-mannered Green saying that it is ''bruited about'' that Green—a long time official of the Mine Workers—has ''private sympathies and individual inclinations'' in support of the industrial union group. If Green cared to ''disassociate'' himself from his position as head of the AFL, Lewis would step down as chairman of the CIO and turn the post over to Green. Needless to say, Green declined—but on many future occasions Lewis twitted, ridiculed or otherwise sought to humiliate his erstwhile brother from the Mine Workers.

The history of the relationship between the AFL and CIO during the next three years is a continuous series of negotiations, posturing and critical public statements between the two groups. Many leaders of the AFL felt the creation of the CIO to be an intolerable organizational affront, and there were almost immediate demands for suspension of at least some of the CIO unions. But rapid action was impossible; the AFL council, it developed, appeared to have no power to suspend an affiliate. In May 1936 the council called on the CIO unions to disband their ''rival and dual'' unit—an invitation that was quickly declined. By August, the council found the CIO unions guilty of dual union activities and threatened future suspension. At the 1936 convention the AFL delegates upheld the council's suspension motion—and, with the CIO unions not sending delegates, approved the move by a 10-1 majority. In April 1937, the Carpenters urged the AFL to hold a special convention to expel the CIO unions rather than keep them in a state of suspension, but it was decided that only a regular constitutional convention could consider such an action.

With negotiations over, the 1937 AFL convention gave the council the power to revoke the charters of the CIO affiliates, and early in 1938 the council cut the affiliation ties of seven CIO unions.

By the end of 1937, as Lewis had observed, the CIO had moved a long way, in just two years, toward its goal of organizing the workers of what are now referred to as the ''smokestack industries.'' Shortly after its formation, the CIO had given funds and lent experienced personnel to help the Rubber Workers win a bitter strike at Goodyear in Akron. Lewis, together with Philip Murray of the Steel Workers Organizing Committee and Sidney Hillman of the Clothing Workers, gave active support and participated in the top-level collective bargaining with General Motors, while offering the advice of experienced union leaders to the young officers of the Auto Workers.

## Sit-in strikes

Early in 1937 a group of UAW strikers at Flint, Mich., hit on the idea that it would be both more comfortable and effective to strike against GM by sitting idle at their machines rather than picketing outside the gates in the harsh Michigan winter. The ''sit-in strikes'' infuriated the corporate world and much of the press, which depicted them as the illegal actions of ''radicals'' and ''revolutionaries.'' Lewis, commuting to Detroit from Washington, was able to persuade Gov. Frank Murphy (later a justice of the U.S. Supreme Court) not to listen to GM's entreaties to use the National Guard and the police to drive the strikers from the factories. Eventually, GM reluctantly signed an agreement with the young UAW, and the race to organize the auto industry gathered speed.

Just a few weeks later—on Mar. 2, 1937—a series of secret discussions between Lewis and Myron Taylor, chief executive of U.S. Steel, resulted in the signing of a recognition contract for the Steel Workers Organizing Committee.



Early CIO leaders: Sidney Hillman, John L. Lewis, Philip Murray and John Brophy.

U.S. Steel promised no discrimination or interference with employees who joined the steel union; it offered an hourly pay boost of 10 cents, with a daily minimum wage of $5; it consented to a five-day, 40-hour week, and an almost unheard-of week's vacation with pay each year; and it granted a seniority system and a grievance settling mechanism. It was a dramatic development in an industry that had long resisted unionism with hostility and force. Throughout the steel industry employees flocked to join the Steel Workers Organizing Committee. For Lewis and for his closest associate, Phil Murray, the chairman of the SWOC, it was a triumphant moment.

Thus, while negotiations and conversations, public and private, occasionally took place with the AFL, the CIO during the middle months of 1937 was feeling no pain about its status outside the federation.

## AFL organizing push

In May of that year, the AFL reached a decision that it too must play a more activist role in organizing the unorganized—an objective to which it had paid respect in resolutions without taking corresponding steps for serious planning and programs. At a special conference in Cincinnati, the AFL leaders voted an assessment to finance an organizing campaign.

It was a wise decision. Expanding its organizing staff and taking advantage of the pro-union mood of the times, the unions of the AFL began a steady rise in membership that within a few years blotted out the dreams of some CIO people that they would enjoy the permanently dominant position on the American trade union scene.

The ''Little Steel'' strike in the spring of 1937 also helped end the aura of CIO invincibility that had arisen from its string of successes. The strike against four ''smaller'' steel companies—they were ''Little'' only when compared to ''Big'' U.S. Steel—found management hostile and determined to break the strike. In the conflict with Bethlehem, Youngstown Sheet & Tube, Republic and Inland Steel, strikebreakers were called in, violence was used against strikers, police launched brutal attacks on the union's pickets. In South Chicago, 10 pickets were killed in the Memorial Day Massacre in the marshy fields near the Republic Steel plant. Eventually, the SWOC called off the walkout, and it took several years before the ''Little Steel'' firms signed union contracts.

The ''Little Steel'' strike focused attention on a previously little-known strain in the relationship between President Franklin Roosevelt and Lewis. Most Americans, in and outside the union ranks, assumed a warm and cordial working relationship between the two strong men. The UMW chief, after all, had organized thousands of miners in 1933 with leaflets proclaiming that ''FDR wants you to join the union.'' In the 1936 election, CIO unions had poured out money and manpower to help the Roosevelt election landslide. But in 1937, when asked at a press conference about the Little Steel strike and its attendant violence, Roosevelt replied testily and with some sense of frustration, ''a plague on both your houses.'' To which, Lewis, in one of his most spectacular oratorical outbursts, declared: ''It ill behooves one who has supped at labor's table and has been sheltered in labor's house, to curse with equal fervor and fine impartiality both labor and its adversary when they become locked in deadly embrace.'' After that, needless to say, the relationship deteriorated.

By 1938, the CIO was claiming an affiliated membership of something over four million. Even allowing for inevitable exaggeration, that was a very respectable number for a three-year-old organization. The links with the AFL were all but gone. The original CIO unions had been expelled; the newer ones had never been affiliated to the federation. In November 1938, the CIO held its first formal convention, and changed its name to the Congress of Industrial Organizations. The mood was proud and confident.

Lewis was elected president, of course, by acclamation. Phil Murray and Sidney Hillman were elected vice presidents; young Jim Carey of the Electrical, Radio & Machine Workers—who had unsuccessfully sought an industrial union jurisdiction charter in the AFL three years earlier—was elected secretary-treasurer.

## A new generation

At the convention, Lewis, savoring the CIO's successes, recalled that 57 years earlier ''the great Gompers founded in this city the labor movement of his generation.'' But, Lewis added, ''time moves on and the old order changes, and as the changes became more obvious, it was more and more apparent that . . . the type of organization founded in Pittsburgh 57 years ago was not equal to the task of organizing or rendering service to the teeming millions who labor in American industries in this generation of our life.''

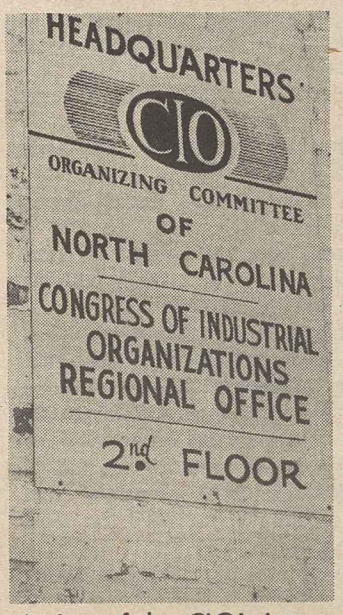
And thus, on Nov. 14, 1938, the CIO came into being as a permanent constitutional organization of trade unions. ''There can be no compromise with its fundamental purpose and aim of organizing workers into powerful industrial unions,'' the CIO said. These ''fundamental purposes and principles'' must be an essential ingredient before the ''goal of labor unity'' with the AFL can be achieved. That goal, of course, was reached 17 years and 21 days later—on Dec. 5, 1955—at the AFL-CIO unity convention in New York City.

Lewis, after endorsing Wendell Willkie, the Republican candidate for president against Roosevelt in 1940, carried out his pledge to step down from the CIO leadership if FDR was re-elected. Lewis was succeeded by Phil Murray. Within two years their old friendship was ruptured. Lewis led the United Mine Workers out of the CIO in 1942, tarried briefly back in the AFL, and then led the UMW into a role of isolation in the labor community that is only now beginning to change.

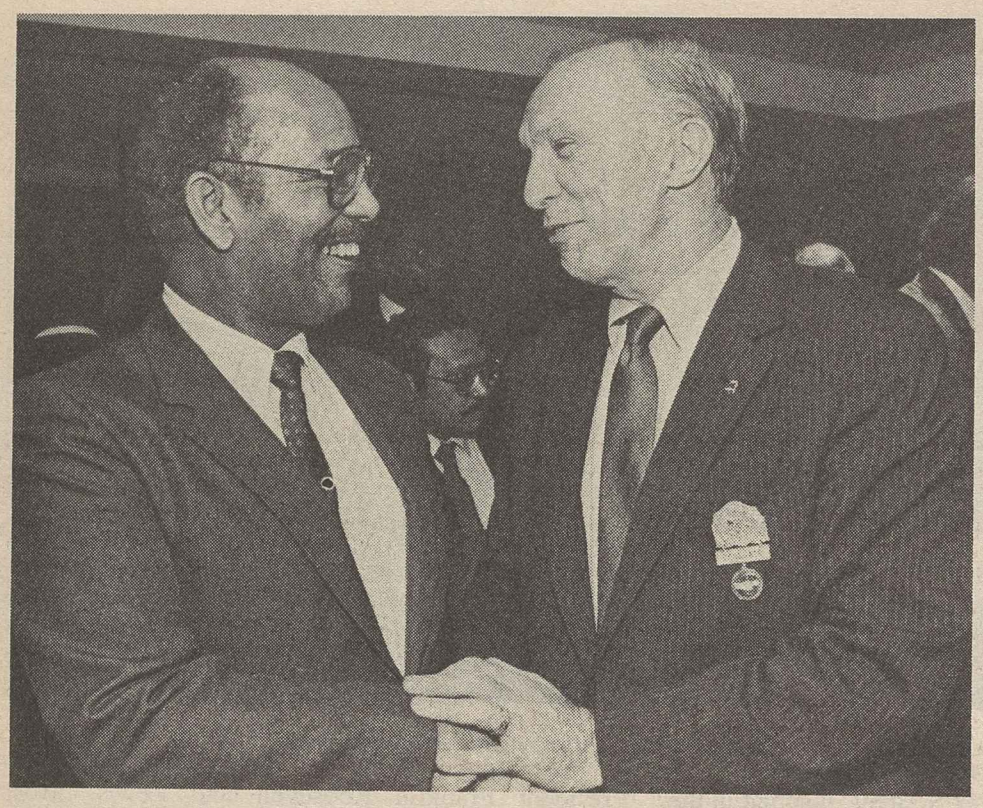
In 1952, Phil Murray and William Green died within days of each other. Walter Reuther of the Auto Workers was elected to succeed Murray, and George Meany was elected to succeed Green. Within three years they had negotiated a healing of the rift that had had its beginning a generation earlier in the furious debates between the industrial and craft union delegates at the 1934 AFL convention in San Francisco.



CIO's Auto Workers test strength in General Motors strike in Oakland, Calif., in 1941.




A sign of the CIO's intention to organize the South.



## A helping hand

Christopher Edley, president of the United Negro College Fund, at a reception in Anaheim, Calif., reminds AFL-CIO Sec.-Treas. Thomas R. Donahue of the UNCF's annual telethon supporting higher education that airs Dec. 28 in 79 cities. President Gerald W. McEntee of the State, County & Municipal Employees, labor chairman of the fund, is urging union members to contribute one hour's wages to the drive. Local unions donating $1,000 or more can join the telecast in their area to present their checks.

# Alabama delegates denounce Reagan's tax, trade policies

Montgomery, Ala.—President Reagan's tax and trade policies came under a drum fire of criticism at the 15th constitutional convention of the Alabama AFL-CIO.

Keynoting the three-day convention, AFL-CIO Vice President William W. Winpisinger, president of the Machinists, castigated the Administration's "tax reform" proposals as "tax robbery—Robin Hood in reverse," and accused the President of being "blind to the differences between free trade and fair trade."

The 700 delegates approved a series of resolutions criticizing the Administration for its failure to deal with the floodtide of imports which have cost more than 3 million U.S. jobs, and opposing the White House plan to tax health insurance, unemployment compensation, workers' compensation and black-lung benefits.

The convention gave standing ovations to two potential candidates in Alabama's 1986 elections—Sec. of State Don Siegelman, who is expected to announce shortly for the seat now held by Sen. Jeremiah Denton (R), and Lt. Gov. Bill Baxley, who is seeking the Democratic gubernatorial nomination.

Winpisinger said the Administration's "air head" approach to trade has resulted in Alabama miners, steelworkers, textile workers and clothing workers "being sacrificed on the altar of cheap labor in the church of free trade."

### Plant shutdowns

Rubber Workers President Milan Stone also focused on the trade crisis, telling delegates in this largest tire-producing state in the nation that "job-killing imports" threaten their industry. He pointed to the closing of five tire plants across the nation, representing 10 percent of America's tire output.

"We can't win the trade battle by exchanging $12-an-hour jobs for $5-an-hour jobs," Stone said. "Our workers can't buy the products" if their wages are reduced to a level comparable to those abroad.

The convention re-elected President A. G. Trammell and Executive Vice President James E. Albright, elected acting Sec.-Treas. Douglas S. Burkhalter to a full term and re-elected 14 vice presidents. Four new vice presidents were elected: Fred Allen of the Electrical Workers, Sara Lipscomb of the Clothing & Textile Workers, Mark Guin of the Rubber Workers, and Rosemary George of the Oil, Chemical & Atomic Workers.

In other actions, delegates approved resolutions calling for:

- Re-enactment of a state prevailing wage law to replace the one repealed in 1979.
- Passage of a national health-care plan to provide adequate coverage at costs which are within reach of the family budget.
- Enactment of federal legislation to provide for adequate notice to unions and workers of plant closings accompanied by funded retraining of displaced workers.

## 15 resolutions referred to council for action

Anaheim, Calif.—The AFL-CIO's 16th convention referred 15 of the 289 resolutions submitted for its consideration to the Executive Council for further consideration before final disposition.

The convention adopted a record number of resolutions, 105, accepting amendments to several of them, and deemed 165 others to be covered by its actions. Non-concurrence was voted on one resolution, no action was taken on two others because they reflected existing policy, and one was withdrawn.

The referred resolutions cover a broad range of issues affecting workers and their unions, including job security, tax policy, part-time work, and computers.

# *Bradley rips into governor for vetoes of workers' bills*

Anaheim, Calif.—Los Angeles Mayor Thomas Bradley (D) unleashed a blistering attack on California Gov. George Deukmejian (R) for his repeated vetoes of legislation of concern to working men and women.

Branding Deukmejian as "Mr. No," Bradley told the AFL-CIO convention that among bills voted were ones to:

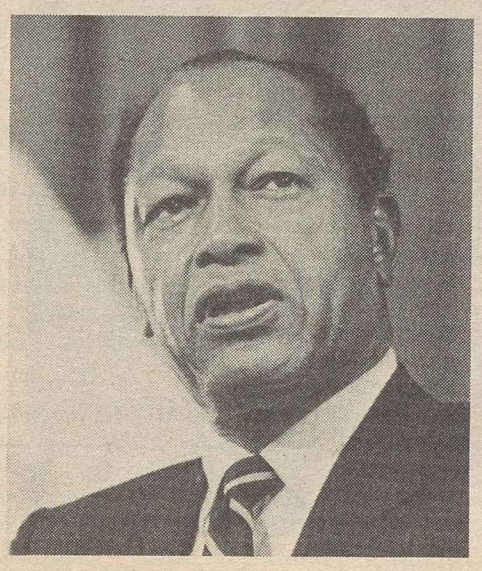
- Raise maximum unemployment insurance benefits from $166 to $211 a week by 1988.
- Raise temporary workers' compensation benefits "which now are among the lowest in the nation."
- Post notices in fields sprayed with dangerous pesticides.
- Grant workplace access to local government unions.
- Give labor representation on boards of pension plans.
- Establish an occupational disease identification program.
- Curb future state investment in companies operating in South Africa, with its "immoral and corrupt" government.

Bradley also assailed the Republican governor for slashing funds for additional job placement specialists, more workers' compensation judges to deal with a mounting caseload, an agricultural labor relations board plan to process claims for millions of dollars in back wages for thousands of farm workers, and a study of the need for comparable worth.

Bradley, who ran for the California governorship three years ago with strong labor backing, lost to Deukmejian by a narrow 1-percent margin. He indicated strongly that he would again seek the Democratic gubernatorial nomination in 1986. He currently is serving an unprecedented fourth term as mayor of Los Angeles.

The mayor stressed the close relationship between his administration and Los Angeles labor, pointing to the comparable worth agreement recently negotiated with the State, County & Municipal Employees, and the joint decision to withdraw pension fund investments in South Africa.

"We have worked together on civil rights, human rights and economic justice," Bradley said, "in an alliance for the benefit of working men and women."



Tom Bradley

## For New Jersey

# Key elements upheld in toxic hazards law

Philadephia—A federal appellate court ruling upholding most of New Jersey's right-to-know law on toxic hazards was hailed by the AFL-CIO as "another major victory for workers and the public."

The 3rd U.S. Circuit Court of Appeals rejected a lower court ruling and the chemical industry's contention that the entire act was preempted by the federal hazard communication standard.

Margaret Seminario, the federation's occupational safety specialist, called the suit "a last-ditch effort to forestall the expansion of right-to-know to the workplace and the community."

The court of appeals made it "clear that as long as state right-to-know laws are not in conflict with federal standards, these statutes will be found to be valid," Seminario said.

The appellate court "totally rejected the chemical industry's argument that the federal standard preempted any state action," she said.

### Employer challenge

The court challenge was brought by the New Jersey State Chamber of Commerce, several business associations and more than a dozen pharmaceutical, chemical and cosmetic corporations.

The ruling by the three-judge panel rejected the broad applications of the federal Occupational Safety & Health Act and the hazard communication standard that the employer groups demanded.

Earlier this year, the Steelworkers successfully challenged the preemption and narrow scope of the federal standard. The judges, relying on that case, held that the New Jersey law is preempted only insofar as it "pertains to protection of employee health and safety in the manufacturing sector."

In a section-by-section review of the New Jersey law, the judges ruled that a section should be preempted only if conflicted with other federal or state laws or if it regulated hazard communication in the manufacturing sector. It could also be preempted if it obstructs the intent of the OSH Act.

The judicial panel upheld the labeling requirements for toxic substances for all businesses except those in manufacturing. They ruled that the labeling of environmentally hazardous substances is not "expressly" preempted.

The judges said they were prohibited from ruling on the labeling requirements for environmentally hazardous substances because a federal district court had not done so. The lower court, in determining the preempted sections could not be severed from the law, had said the entire state law was preempted.

The lower court "erred in ruling that as applied to the manufacturing sector the entire right-to-know act is preempted," the judges said.

Requirements that New Jersey's health and environmental protection agencies develop lists of hazardous substances "will in no way inhibit the implementation of the federal standard. The federal and state lists may comfortably coexist," the judges wrote.

The requirement that employers complete environmental hazard surveys was held not to be preempted by the federal standard, while the requirement for a workplace hazards survey was preempted in the manufacturing sector only.

The court upheld the assessment on all New Jersey employers that provides the funds for implementing the law.

Trade secret requirements of the New Jersey law were also upheld.

# House cuts back, then sidetracks plant closing bill

**Continued from Page 1**

Earlier, a Republican cosponsor of the measure, Rep. Silvio O. Conte (Mass.), had chided his GOP colleagues for their stance.

"Do a little bit for the working men and women of this country," Conte scolded.

The two principal Democratic cosponsors, William L. Clay (Mo.) and William D. Ford (Mich.), sought to keep the measure from being savaged by amendments. The debate was often emotional. A trade union veteran serving in the House, Rep. Charles A. Hayes (D-Ill.), gave his congressional colleagues a first-hand account of sudden plant closings drawn from his own experience as a packinghouse union leader. Hayes is a former vice president of the Food & Commercial Workers.

### Epidemic hits

In a letter to all House members on the eve of the vote, AFL-CIO Legislative Director Ray Denison stressed that the epidemic of plant closings has hit every section of the nation, small towns and rural areas as well as large industrial cities. Over the past five years, he noted, "5 million workers lost their jobs without any advance notice whatsoever."

Even if a plant can't be kept open as a result of the consultation requirement, Denison said, studies have shown that advance notice reduces the duration of unemployment and allows communities to prepare for the "ripple effects" of a large layoff.

The bill's requirement for a 90-day advance notice could be waived if the company demonstrated that unavoidable business circumstances gave it no alternative.

Opponents argued that companies could be put at a disadvantage if they were required to reveal the business reasons for a plant shutdown decision. And some argued that any legislation should await the findings of a task force recently named by Labor Sec. William E. Brock to study plant closing issues.

Supporters saw nothing in the bill that any company with a decent concern for its workers and the community where it is located could find objectionable.

## Big rise in job injuries tied to enforcement lag

**Continued from Page 1**

Every industry category in the durable goods manufacturing sector posted increases in injuries as the overall rate there rose to 10.7 per 100 workers, up from 10. In non-durable goods, the rate went from 9.2 to 9.4.

In wholesale and retail trades, injuries per 100 workers went from 7.2 to 7.4, while in transportation and utilities, the rate increased to 8.6 from 8.1.

# EDITORIALS

## Labor's Vital Links

THE AFL-CIO asks a lot from its local and state central bodies—and almost always gets it.

It expects them to be the legislative watchdogs of city councils and state legislators, and they are. Whether the issue is a restrictive picketing ordinance, a teachers' pay raise, prevailing wage laws, unemployment insurance or health and safety issues, the state feds and central bodies are out in front.

The federation expects from its state feds and central labor councils responsibility and leadership in seeking a consensus on political endorsements, and only rarely is it disappointed.

Is there a Labor Day observance to organize? Is there a civic function to perform, or some event at which a labor presence is needed? Central body officers, many unpaid, are known to survive for months on end without a full weekend to spend with their families and mighty few evenings in front of the television set.

The SOS from the AFL-CIO's Washington lobbyists for the phone call to a wavering congressman or the initiation of a letter writing campaign goes to the central bodies, because that's where the job will be done.

These are not make-work chores, none of them. They are vital to labor's program and to the welfare of working men and women.

THE SHAME OF the labor movement is that such a valuable able tool is so neglected. Only about half of local unions are affiliated with their city and state central bodies, despite the repeated proddings of parent national unions.

Seldom, the record shows, is there a defensible reason for this neglect.

A special committee of the AFL-CIO Executive Council has called on affiliates "to aggressively promote voluntary affiliations" by their local unions with the federation's central bodies.

A resolution adopted at the recent AFL-CIO convention reinforced that appeal and held open the possibility of further steps to achieve that goal.

Some participants in the convention discussion of the issue noted a parallel between local unions that don't pay their share of the costs of maintaining labor's central bodies and freeloading workers who don't support the union that bargains for them.

The AFL-CIO Committee on the Evolution of Work, which envisions a still bigger role for central bodies as the trade union movement adapts to changes in the workforce, put it a bit more diplomatically, but with similar emphasis.

A low level of affiliations, it noted, means "that certain affiliates carry a disproportionate share" of responsibility for sustaining the state and local bodies. And it means also, the committee added, that the paucity of support results in central bodies that "are not as strong as they could be."

In times like these, America's trade union movement needs all the vitamins it can get.

## Drawing the Line

THE REPUBLICAN-HELD Senate has too often been the graveyard of House-passed bills the Reagan Administration opposes. That adds special significance to its breakaway from the shadow of the White House to pass by a convincing 60-39 margin a bill to limit imports of textile products and shoes.

It's a bill that President Reagan sought to keep from his desk because a veto would mark him as callous to the mass murder of American jobs.

Instead, both the House and Senate have now sent a strong, bipartisan message to the President and to the nations that trade with us that a limit has been reached, a line drawn.

These are not high-paying jobs at stake in the textile, apparel and shoe industries. Quite the contrary. But there are no jobs to replace them, and they must be saved. That's the welcome message from Congress.




**Washington Window**

# 3 of 4 unemployed workers deprived of jobless benefits

**By Press Associates, Inc.**

For America's unemployed, things can only look up because they can't get much worse.

An analysis by the non-profit Center on Budget & Policy Priorities pointed out that the percentage of the unemployed receiving jobless benefits in October fell to an all-time record low of 25.8 percent. That means only one in every four unemployed workers received benefits.

According to the center's research director, John Bickerman, the situation of the jobless is even worse in certain states. The overall 25.8 percent level of recipients means 5.9 million jobless received no benefits in October, but here is how the worst-off states fared:

- In Michigan, where the jobless rate hit 10.3 percent, only 17.4 percent of the unemployed got benefits. More than 340,000 of those out of work went without.
- In Texas, only 16.3 percent of the unemployed received benefits and more than 500,000 jobless got nothing.
- In Ohio, with unemployment at 9.2 percent, only 20.8 percent received benefits. More than 370,000 went without.
- In Illinois, with a jobless rate of 9.4 percent, 22.1 percent received benefits. More than 400,000 did not.

The center reported that the percentage of jobless workers receiving unemployment benefits ranged from 23.8 percent to 35.6 percent in these populous states: California, Florida, New Jersey, New York, North Carolina and Pennsylvania.

The AFL-CIO convention explored the problem of the steady erosion of the federal-state system and made recommendations to reverse the trend.

The federation traced the cause to exhaustion of benefits, the greater difficulties in becoming eligible for extended and supplemental benefits, more stringent work and earnings requirements to qualify and more severe disqualification penalties.

In discussion of the convention resolution, President Betty Tianti of the Connecticut AFL-CIO summed up the dynamic behind eroding benefits. With 50 different state programs, she said, "Our employers are fighting us and threatening to move out, close plants, because unemployment comp benefit costs are less in other states, and they use it as a whipsaw, if you will, to try to force us to take less in benefits, to cut benefits, and to keep the funding levels low so that we are always in a deficit situation."

President Julius Uehlein of the Pennsylvania AFL-CIO said a similar situation exists in his state, with "the business community attacking continuously." He said that business claims industry will not come into the state and it now wants to offset social security benefits for the unemployed over 62.

### Attacking a myth

President Gerald McEntee of the State, County & Municipal Employees agreed. It is a myth perpetuated by business that high jobless benefits keep out business, he said. The federation's Public Employee Dept., which he heads, is issuing a study that will show business relocates on the basis of labor supply, educational opportunities and social and entertainment factors. This may help kill the myth, McEntee said.

Convention delegates called for the reversal of the measures that have weakened the unemployment compensation system. Labor also will press Congress for creation of a permanent program of supplemental benefits to provide at least 65 weeks of benefits for the longterm unemployed.

The AFL-CIO also wants benefits levels raised to at least 50 percent of average weekly earnings. It said efforts should continue to reduce the importance of experience-rating in financing jobless benefits, and to raise the taxable base.

In 1935, Congress chose the worst of several ways of financing the jobless benefits program. It is time to modernize a program that has failed to aid jobless workers properly.

AFL-CIO news

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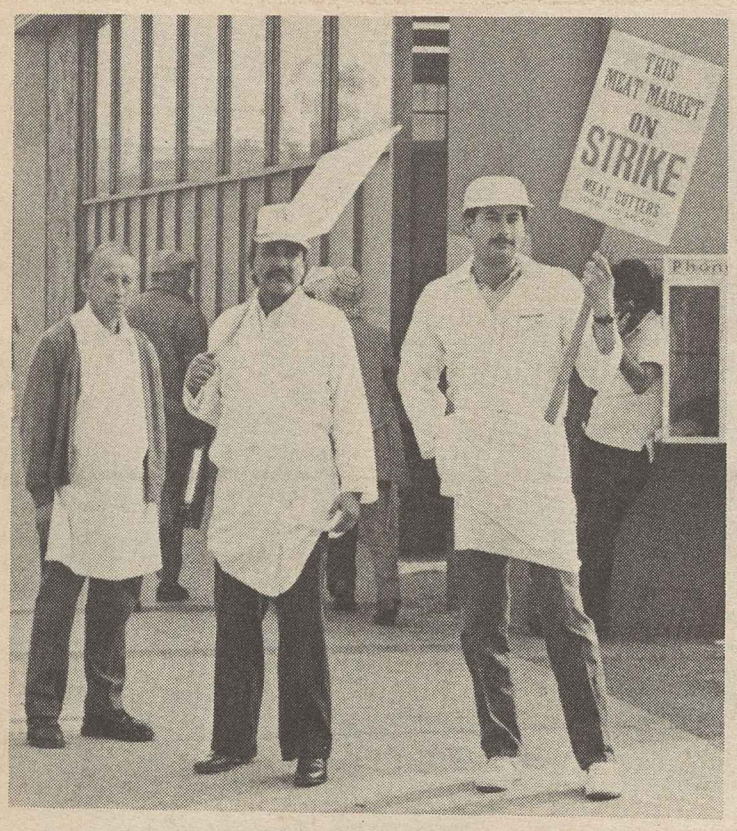
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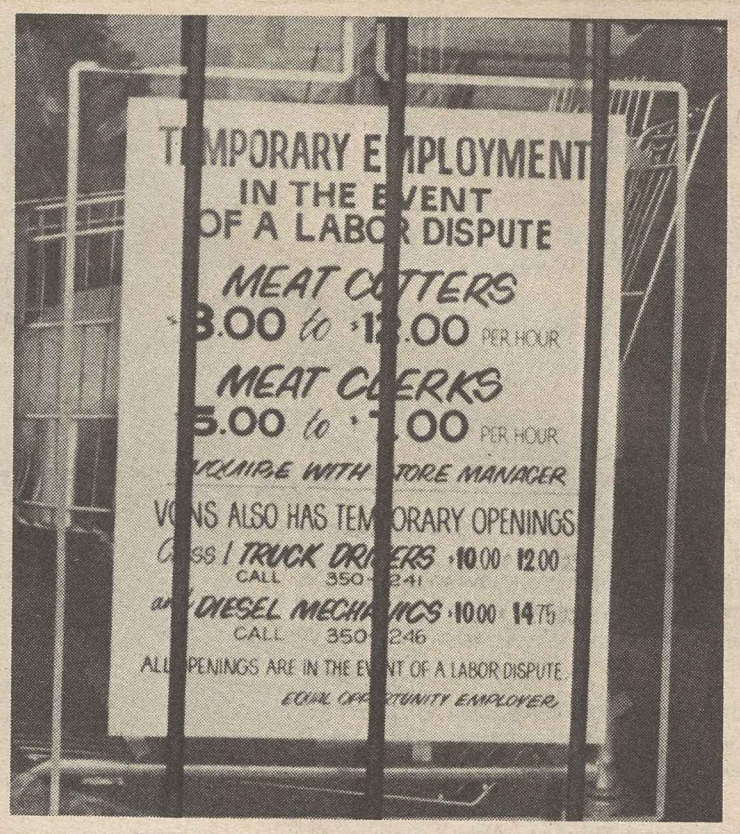
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White-smocked meatcutters picket one of 1,100 Southern California supermarkets hit by a strike-lockout involving 22,000 members of the Food & Commercial Workers and the unaffiliated Teamsters. The sign on the door is an example of tactics being used by the 10 giant grocery chains to recruit scabs.




# 22,000 strike supermarkets in California

Los Angeles—The strike-lockout of 22,000 workers at 10 major Southern California grocery chains entered its second week as a federal mediator sought to resolve the dispute.

Mediator Frank Allen brought both sides back to the bargaining table this week, after the talks collapsed earlier. The negotiations are between the Food & Commercial Workers, the unaffiliated Teamsters and the Southern California Food Employers Council.

The strike-lockout was triggered on Nov. 5, when management walked out of last-ditch negotiations with the two unions.

When the UFCW launched a selective strike against some outlets in the 164-store Vons Supermarkets chain and the Teamsters walked out at two of Vons' distribution centers, the employers retaliated by locking out union workers at 1,100 markets stretching all the way to the Mexican border.

Seven smaller grocery chains immediately broke ranks with the employers' group, reaching interim agreement with the two unions to abide by the terms of the final settlement.

At the heart of the dispute is management's insistence on a wage freeze, coupled with other major concessions.

It demanded that the UFCW's meatcutters agree to creation of a new, lower-paid "meat cutter-clerk" classification, reduction of the guaranteed eight-hour day to only four hours, and a cutback in the number of hours markets are required to have a journeyman meatcutter on the job.

For the truck drivers, warehousemen and clerical workers represented by the Teamsters, the employers proposed a two-tier wage system and elimination of a current cost-of-living increase. They also demanded the right to escalate contracting out of work.

### No settlement

In the war of words, the UFCW denied management charges that the union had reached a tentative settlement but was pressured to strike by the Teamsters.

"We thrashed out a lot of issues, but we never agreed on anything," said UFCW Local 421 Sec.-Treas. Gerald McTeague, the union's chief negotiator. Management was told from the start of negotiations that "there was no way we could make an agreement unless the Teamsters got one too," McTeague said.

Elsewhere in the country, the UFCW reported "steady progress" in its drive toward restoring a national wage rate of $10 an hour for packinghouse workers.

New contracts have been negotiated at Swift & Co., Armour/Dial, Sugardale, Dinner Bell and Superior Brand, bringing the higher wage rate to 10,000 workers. Existing agreeements with Hormel and Oscar Mayer, which come up for renegotiation in mid-1986, already include the $10 rate. The new contracts also provide pension improvements, an additional holiday, and improved vacations and sick pay.

The drive for a national wage rate has run into the intransigence of several companies, most notably John Morrell and Farmer John, where UFCW members have been forced to walk out in an effort to win their demands.

# *Michigan unions rally to turn tide against constitutional convention call*

Lansing, Mich.—A grass-roots lobbying effort by Michigan unions and their coalition allies was instrumental in defeating an attempt to force Congress to call a constitutional convention to initiate a balanced budget amendment.

The 57-53 vote in the Michigan House of Representatives greatly eased the pressure on Congress to enact some form of mandatory balanced budget, no matter how unworkable, as the alternative to risking a runaway convention that could do lasting damage to the U.S. Constitution.

Thirty-two of a required 34 states have petitioned for such a convention, at the prodding of a self-styled "taxpayers" lobby. Most of the endorsements came 10 years ago, when the con-con campaign was first launched and before it was recognized as a serious threat.

Although the Constitution specifies that two-thirds of the states can convene a convention to initiate amendments, the procedure has never been used. Thus far, all amendments have been initiated by a two-thirds vote of each house of Congress, subject to ratification by three-fourths of the states.

But Michigan, with a Republican Senate and a slim Democratic majority in the House, was a prime candidate to become the 33rd state and push the nation to the brink of economic chaos.

The danger early this year was real, when the state Senate approved the convention call by a 19-12 margin, and its supporters pumped money into the state to fund a media blitz aimed at getting the House to concur.

But there was a counter-effort, less lavishly financed but pooling the lobbying efforts of a coalition that included the trade union movement, human resources organizations, local school boards and religious groups from all major faiths.

### Direct approach

Darrell Tennis, Michigan political director for the State, County & Municipal Employees, coordinated the lobbying effort and credited a grass-roots direct approach to legislators for turning the tide.

When legislators were convinced that there was a real danger to the Constitution, he said, they were willing to take the political risk of seeming to vote against a "balanced budget." Another big asset, Tennis said, was the willingness of both Gov. James Blanchard and House Speaker Gary Owen to publicly oppose the measure.

The initial strategy was to give lawmakers who feared political hazards a free pass by changing the Senate's call for a constitutional convention into a non-binding resolution endorsing the concept of a balanced federal budget. But the Senate insisted on its version, and the issue came back to the House for an up-or-down vote, with no hedging.

Supporters, principally the Chamber of Commerce, ran full-page newspaper advertisements aimed at getting constituents to pressure wavering House members. The pressure included running the home telephone numbers of legislators, a tactic that was close enough to harassment that it probably backfired.

Opponents, anxious to offset Democratic defections, welcomed into Michigan Republicans such as Senators Nancy Kassebaum of Kansas and Ted Stevens of Alaska who were willing to speak out against the con-con measure.

On the 57-53 vote, nine Republicans who voted against the resolution more than offset the defections of the eight Democrats who supported it.

### Last shot

After the vote, House Republican Leader Michael Busch left no doubt that the verdict was conclusive.

"Today was our shot," he told reporters, "and that's that. It's over. It's done. It's dead."

Nationally, the issue isn't dead—yet. New Jersey, with a new Republican majority in the state Assembly, and Connecticut are among the con-con targets. And since there is presently no time limit for reaching the two-thirds mark in state endorsements, con-con remains a ticking bomb. But Michigan's action, at least for the moment, took the U.S. Constitution off the endangered species list.

# Legislative action agenda forged by Georgia labor

Jekyll Island, Ga.—The Georgia AFL-CIO forged a legislative action plan to improve workers' job rights and increase health and safety coverage in the coming year.

The 350 delegates meeting here for the State AFL-CIO's 29th convention endorsed a legislative program seeking:

- Coverage of occupational disease under the state's workers' compensation law.
- A hazardous substance "right-to-know" law.
- Collective bargaining rights for public employees.
- Changes to make the state's income tax fairer.

The convention opposed Georgia's current teacher testing provisions and urged legislation that would require voter registration by political party.

The delegates demonstrated support for the Textile & Apparel Trade Enforcement Act and other measures that would limit imports in hard-pressed domestic industries and went on record opposing Administration efforts to tax employee benefits.

In a "state of the Georgia labor movement address," State AFL-CIO President Herbert H. Mabry said organizing and education are critical to the success of the labor movement.

"If we educated our members better, we wouldn't lose them to the right-to-workers," Mabry told the delegates.

He noted that Georgia was one of three pilot states participating in the AFL-CIO's One-on-One program, designed to increase communications among union members, and anticipated the project would be very useful in Georgia's "most important" 1986 elections.

Mabry reminded delegates that all the state's General Assembly seats will be up for election in 1986 and that unions must begin now to update their mailing lists and activate COPE communities.

Delegates attended a series of workshops on the One-on-One program, political action, communications, arbitration, community services and the AFL-CIO's "Changing Situation" report.

The communications workshop showcased the State AFL-CIO's public cable television program, "Inside Labor." The show currently is seen in Atlanta but central labor councils in Albany, Macon and Savannah are negotiating with local stations to broadcast the show in those areas.

Convention speakers included AFL-CIO Regional Director Jim Sala, Regional COPE Director Clem Dowler, Florida AFL-CIO President Dan Miller; Harold McIver, national organizing director for the Industrial Union Dept.; Fanny Neal, regional COPE VIP director; State Labor Commissioner Joe Tanner, and Jan Douglas of the Anti-Klan Network.

# Chicago city council assails Tribune for strikebreaking

Chicago—The City Council has condemned the Chicago Tribune for "importing strikebreakers" and "failing to bargain in good faith" with 1,200 members of Graphic Communications Union Local 7, Typographical Union Local 16 and Mailers Local 3, who have been on strike since July 18.

The council's denunciation of Tribune management for its insistence on eliminating existing benefits and working conditions came on the heels of a statement by Joseph Cardinal Bernadin urging the newspaper to reach a settlement as the dispute dragged on toward the end of its fourth month.

To date, the Tribune's management has ignored all such public calls for good faith bargaining, meeting only infrequently with the three unions involved in the strike, and refusing to budge from its demands for a three-tier wage structure, abandonment of the pension plan, an end to the grievance procedure and major reductions in the health care plan.

The resolution, introduced by Councilman Edward Vrdolyak, cited the city's Fair Labor Ordinance opposing the importation of strikebreakers, noting that Tribune President Charles T. Brumback had boasted openly that scabs had been sent here from the newspaper industry "all over the country."

Meanwhile, in a demonstration of trade union solidarity with the strikers, more than 1,000 members of 15 unions joined the picket line.

The union members marched for more than three hours under banners demanding that the Tribune management come to the bargaining table and work out a fair and equitable contract settlement.

AFL-CIO news

VOL. 30, NO. 47
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**LEGISLATIVE ALERT!**
PAGE 8




## Sharing Thanksgiving

A southern California food bank operated by the Orange County AFL-CIO is busy throughout the year, but it looks more like a cornucopia at holiday time as union members share with the needy. Preparing boxes of groceries are officers of Letter Carriers Branch 1100, from left, Rozann Logan, Bill Heintz, Roberta Fullen and Howard Kashinsky.

# Failed trade policy hit for raising risk of more job losses

America's unions called on Congress to stop the destruction of industries and jobs by shaping trade policy in the national interest instead of clinging to the unreal concept of "free trade."

Auto Workers President Owen Bieber, testifying for the AFL-CIO as well as his own union, warned the Senate Finance Committee that the constant search for cheaper production abroad threatens to "impoverish the American economy."

The auto industry, already battered by Japanese products, faces a new flood of imports from nations with "incredibly low wage rates," Bieber warned.

Unless the United States shifts to a more realistic trade policy, he said, auto industry employment will be slashed another 25 percent before the end of this decade, "eliminating hundreds of thousands of jobs that pay decent wages."

And it's not just the auto industry that is threatened, Bieber stressed. Other industries are under similar assault, "and there will certainly be more," he warned.

"We need these manufacturing jobs to keep our economy strong, our workers employed and our living standards high," he insisted.

At the same hearings, the Ladies' Garment Workers testified to the impossibility of labor-intensive industries in the United States competing with pennies-an-hour wage rates.

ILGWU Research Director Herman Starobin told the Senate panel that apparel workers' pay in the 20 low-wage nations that produce for the American market "range from 2 percent of the U.S. level in Bangladesh to a high of 25 percent in Singapore."

Starobin said he visited plants in Bangladesh where the pay of experienced garment workers ranged from $28 to $37 a month for 10-hour, six-day workweeks.

Elimination of "unfair" trade practices by other nations would have only a minor impact on apparel trade, he said. Products made in these low-wage countries would still undercut U.S. producers.

America's apparel workers are already low paid, and there is no way to further reduce their wages "without creating a shameful Third World of our own." Thus the issue of import curbs "is one of life or death for the American industry and its workers," he stressed.

**Continued on Page 5**

# Peace, human rights top Central American goals

## *Conference asks political solution*

San Jose, Costa Rica—There is "no military solution" to the Central American crisis, labor and political leaders from 21 countries of the Americas and Europe said, calling for negotiations to restore peace based on "the full exercise of human rights."

The current turmoil stems from "social injustice, lack of freedom and the absence of democracy," they declared. The result has been a "virtual state of war" which has taken a toll of over 200,000 dead and 2 million displaced in several Central American countries.

"The militarization of the societies, the arms race and the presence of extraneous military factors sink the Central Americas even more in the tragedy of war," the 145 delegates to the second Conference on Peace and Democracy in Central America said. They adopted a declaration strongly condemning violence and terrorism as "a return to barbarism."

A political solution is "imperative" or else "peace will continue to be a chimera," the declaration said as it urged formation of "a democratic front on behalf of peace" in the strife-torn area.

The conference was held under the sponsorship of President Luis Alberto Monge Alvarez of Costa Rica, President Lane Kirkland of the AFL-CIO, Secretary General

**Continued on Page 4**

## *Kirkland presses worker freedoms*

San Jose, Costa Rica—Expressing stern opposition to violations of trade union and human rights in both El Salvador and Nicaragua, AFL-CIO President Lane Kirkland insisted that "human rights be respected by all governments, whether they are of the left or the right."

Freedom of association is "essential to democracy," Kirkland told delegates to the second International Conference for Peace and Democracy in Central America, adding:

"We demand that workers have the right to organize their own unions and to strike, whether the means of production be owned by oligarchs or commissars, by plutocrats or bureaucrats.

"Whoever owns the means of production, workers must own their own labor."

Kirkland, one of the sponsors of the session which brought together 145 labor and political leaders from 21 countries in the Americas and Europe, said that there was both "good news and bad news" in Central America.

The good news included this month's free elections of a president, a national congress and municipal officials in Guatamala; the elections last March which brought a democratic majority to El Salvador's National Assembly, "strengthening the hand of President Duarte as he strives to over-

**Continued on Page 4**

# House scuttles key measure on plant shutdowns

**By David L. Perlman**

The House killed a labor-supported bill requiring employers to give workers 90 days notice before closing a plant or laying off a large portion of the workforce.

The 208-203 vote was a victory for business groups that fought the measure and for an Administration that had sought to sidetrack it—as one Republican congressman expressed it during the debate, to avoid "embarrassing" President Reagan by sending him a bill that he would feel compelled to veto.

It was a setback for the coalition of concerned organizations—including religious

**Continued on Page 4**

# *Economy continues to rumble on bumpy rollercoaster run*

**By Gene Zack**

The nation's economy continued its rollercoaster run as an upsurge in the gross national product for the third quarter was offset by a steep drop in retail sales and a sharp rise in producer prices in October.

At the same time, the industrial output went down in October for the fifth time in the past six months, and unemployment in 27 states, the District of Columbia and Puerto Rico climbed to higher levels than a year ago.

All this led the AFL-CIO to conclude that the economy remained "haywire" and that the specter of a "growth recession" loomed over the horizon.

The third-quarter rise of 4.3 percent in the GNP, said Research Director Rudy Oswald, was "hardly enough to overcome the deficit in jobs and income and hardly enough to provide the growth that we need" to put the economy back on track.

After growing at an anemic annual rate of 1.1 percent during the first half of the year, the GNP leap in the third quarter

**Continued on Page 5**

# Who says imports cost less?

**Slowly but surely, the American buying public is getting the message: textile and apparel imports aren't the bargain that profiteering importers claim they are.**

**Countering arguments that legislation to curb imports would push up retail prices, Rep. Ed Jenkins (D-Ga.) released figures showing that foreign-made apparel last year cost 97 percent of the average retail price for U.S.-made goods.**

**At the same time, the Fiber, Fabric & Apparel Coalition used Commerce Dept. figures to show that many imported blouses, shorts and shirts actually cost more than their American-produced counterparts.**

**"American consumers, who are also workers, know now that they get no bargain in buying imports," said President Sol C. Chaikin of the Ladies' Garment Workers. "All that they do is to place their own jobs in jeopardy" when they buy foreign-made goods.**

**President Murray H. Finley of the Clothing & Textile Workers said that the data "clearly show that the consumer gets no benefit" from purchasing apparel made by cheap foreign labor. It may cost producers only one-fifth as much to make their goods abroad, he said, but these savings are pocketed by producers, wholesalers and retailers—not passed along to the consumer.**

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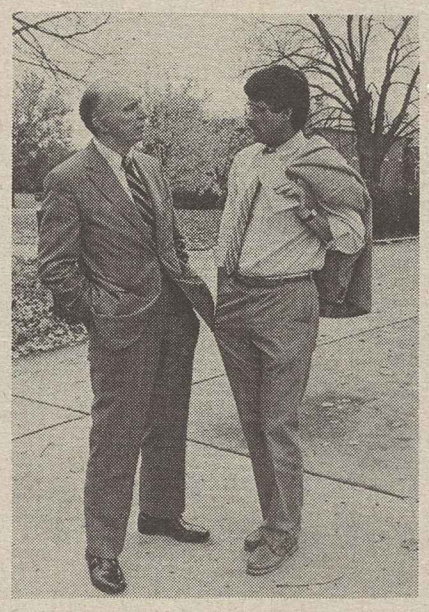
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AFSCME President McEntee and NALC President Sombrotto face reports at the George Meany Center.



Kirkland and Joseph Slevin, president of the National Press Foundation.



Donahue chats with Paul Shinoff of the San Francisco Examiner.

# Reporters go to school on labor

AFL-CIO President Lane Kirkland, Sec.-Treas. Thomas R. Donahue and presidents of six affiliated unions met with reporters covering labor-management relations in a seminar cosponsored by the federation.

Twelve reporters from newspapers across the country took part in the three-day program at the George Meany Center for Labor Studies. The National Press Foundation coordinated the event in cooperation with the AFL-CIO, the Ford Motor Co., and the Federal Mediation & Conciliation Service.

Reporters were able to discuss public sector collective bargaining with Presidents Gerald W. McEntee of the State, County & Municipal Employees and Vincent R. Sombrotto of the Letter Carriers.

Airline industry issues were dealt with by Presidents Henry A. Duffy of the Pilots and Linda Puchala of the Flight Attendants.

Bricklayers President John T. Joyce talked about bargaining in the building trades. And Tom Doudy, assistant director of the Auto Workers' Ford Dept., joined Peter Pestillo, Ford management's negotiator, to explain the shaping of a national agreement in the auto industry.

## Blowing the whistle

President Gene Upshaw of the Professional Athletes blew the whistle on sports writers who come ill-equipped to cover negotiations in professional sports.

Professors John Dunlop of Harvard, a former Secretary of Labor, and Thomas Kochan of the Massachusetts Institute of Technology contributed insights into labor-management relations issues. And AFL-CIO staff members took part with government and industry representatives in panel discussions.

Reporters participating in the seminar included Joseph Ward, Louisville Courier-Journal; Joseph Ritz, Buffalo News; Joseph Coccaro, Atlantic City Press; Paul Shinoff, San Francisco Examiner; Christopher Pummer, Wilmington News Journal; Suzanne Halliburton, Beaumont Enterprise; Helen Fogel, Detroit Free Press; Mike McGraw, Hartford Courant; Allegra Bennett, Baltimore Sun; Laurent Belsie, Christian Science Monitor; David Moberg, In These Times, and John Bussey, Wall Street Journal.

# Courts clear SEIU local on walkout

A California court's ruling that public sanitation workers have a right to strike in the absence of a "substantial and imminent threat" to public health and safety became final when the U.S. Supreme Court refused to review it.

The decision by California's highest court had been challenged by the Los Angeles County Sanitation District.

Members of Service Employees Local 660 had struck for 11 days in July 1976, despite a court order to end the walkout.

In 1981 a trial court awarded the sanitation district a $270,000 judgment against the union and a state appeals court affirmed the award, holding that public employee strikes are unlawful.

After the California Supreme Court overruled the lower courts, the sanitary district sought to raise a new legal argument. It claimed that such a strike could lead to violations of the Federal Water Pollution Control Act and the Federal Resource Conservation & Recovery Act, leaving the agency vulnerable to civil and criminal penalties.

## New issue

In a brief filed with the Supreme Court, Local 660 pointed out that the district did not raise the federal preemption issue until after California's high court had ruled that the workers had a right to strike. The court's decision, the SEIU said, was based on "independent and adequate state grounds."

In another case affecting workers' rights, the Supreme Court agreed to review a Michigan court's interpretation of that state's unemployment insurance law.

The review was sought by the Auto Workers on behalf of members denied jobless benefits when they were laid off because of a parts shortage resulting from a strike by their union at a different plant.

The workers were ruled ineligible for benefits because they contributed to a UAW strike fund in preparation for national auto negotiations. However, the contract was settled without a strike, and the walkout that triggered the layoffs was over local issues.

The Michigan court acknowledged that its interpretation conflicted with the National Labor Relations Act's guarantees of freedom of association, but insisted that Congress intended to allow state preemption on such matters.

# OSHA ordered to set standard on formaldehyde

The Occupational Safety & Health Administration must issue a proposed formaldehyde standard by Dec. 1 or explain why it has not done so, the U.S. Circuit Court of Appeals for Washington, D.C., ruled.

The court order was in response to the latest of four years of legal actions initiated by the Auto Workers and 14 other unions to force a formaldehyde standard out of OSHA.

The unions' petition to compel issuance of the standard was held in abeyance until Dec. 3 when Sec. of Labor William E. Brock must advise the court of the action taken by his department and include a copy of the notice published in the Federal Register.

If OSHA fails to act, a show-cause hearing will be held on Dec. 6 "after which the court will take necessary and appropriate action to compel compliance" with an earlier order, the judges said.

OSHA has twice rejected petitions from the UAW for an emergency standard on formaldehyde to lower the worker exposure level.

Currently, OSHA limits exposure to a maximum of three parts formaldehyde per million parts air, averaged over an eight-hour workday, a level that it admits is harmful.

Some 1.3 million workers are occupationally exposed to formaldehyde, a colorless, pungent gas, and its liquid equivalent, formalin.

Formaldehyde is a potential human carcinogen and can cause severe skin disorders, allergies, and other ailments. The chemical is widely used in industry.

# *House panel adopts immigration reforms addressing union concerns on 'braceros'*

A House Judiciary subcommittee approved an immigration reform bill significantly closer to labor's position than the version the Senate passed last September.

The Senate's bill would launch a new bracero-type "guestworker" program to bring up to 350,000 "temporary" farmworkers into the United States each year, for up to nine months of work harvesting perishable crops.

A Republican-sponsored amendment that sought to add the Senate's guestworker provision to the House bill was defeated, as the AFL-CIO had strongly urged. But that and other disputed issues are virtually certain to be refought when the bill is considered by the full Judiciary Committee and certainly when it comes to the floor of the House.

The subcommittee, headed by Rep. Romano L. Mazzoli (D-Ky.), had under consideration a bill introduced by Rep. Peter W. Rodino, Jr. (D-N.J.), chairman of the full committee.

It also had a letter from AFL-CIO Legislative Director Ray Denison expressing labor's support for legislation to effectively prohibit the employment of undocumented workers, coupled with "the most generous feasible" legalization program for persons who have established roots in the United States since coming into this country illegally.

As amended by the subcommittee, the bill deals with many of labor's concerns.

It now covers all employers, not just those with four or more workers.

It prohibits discrimination against persons who are legal residents of the United States, regardless of citizenship status.

It directs the Attorney General to develop a tamper-proof social security card for verification of the status of job applicants. Counterfeit social security cards have been commonly sold to illegal border-crossers.

## Legal status

It would legalize the status of all aliens who came to the United States before Jan. 1, 1982.

One labor-urged amendment adopted by the subcommittee scrapped a "transitional" provision that would have allowed growers to continue to use undocumented aliens for another three years without facing a penalty.

Another would require growers to provide housing, not just housing allowances, to any temporary workers they bring in under the existing H-2 program, which requires evidence of a shortage of domestic workers. The temporary workers would also be entitled to legal services to safeguard their rights.

But while the amendment to include the Senate guestworker program was defeated, some who voted against it expressed a desire to "negotiate" a compromise that would allow U.S. growers to bring in more temporary farmworkers to harvest their crops. So the threat of a new bracero program still remains.

# $64 million earmarked for pay equity

Albany, N.Y.—More than 114,000 women and minority workers employed by the state government will share $64 million in pay hikes to compensate them for years of wage discrimination.

The action follows on the heels of two independent studies which concluded that women and minorities were consistently paid less than white men for jobs of comparable value.

In a report released by State, County & Municipal Employees Local 1000 and the governor's office, the Center for Women in Government found that 77,000 women and minority members of Local 1000 held jobs that were undervalued by 3 percent, or 1.6 pay grades. The pay equity study was a key provision of the local's 1982-85 collective bargaining agreement with the state.

A separate review of New York's job classification and compensation system by Arthur Young & Co. found that female-dominated jobs were undervalued by between 2.8 and 4.8 pay grades.

Women make up about 48 percent of the state's workforce, while minority workers account for about 22 percent. Female-dominated job titles were defined as those with at least 67.2 percent women, and minority-dominated titles were considered to have at least 30.8 percent minority workers.

State employee unions negotiated an end to the state's discriminatory pay practices during contract talks, with the state agreeing to set aside $64 million to implement the recommendations of the studies.

AFSCME Local 1000 President William L. McGowan praised the pay equity report and urged the state to implement the pay remedies as quickly as possible.

## Social security supplement

# Federal pension bill goes to conference

A supplemental retirement bill covering federal and postal workers hired since January 1984 is being shaped in a House-Senate conference committee.

Persons hired after that date are covered by social security, and unions representing federal-sector workers have been working with Congress to shape a supplemental retirement plan for them that would bring the total benefit package in line with that of the Civil Service Retirement System.

The Senate-passed bill is more acceptable to the Reagan Administration because it would require a smaller employer contribution from the government. It is less acceptable to the unions because it would deny to recently hired workers early retirement rights and the more comprehensive cost-of-living protections of the civil service plan.

Unions of federal and postal workers are pressing for a supplemental plan that would provide for newer workers' benefits and total contributions comparable to those of earlier workers who are covered by civil service retirement.

Their preference is the version approved by the House Post Office & Civil Service Committee, sponsored by Chairman William D. Ford (D-Mich.) and Rep. Mary Rose Oakar (D-Ohio).

That's the bill the AFL-CIO also endorsed, in a letter from Legislative Director Ray Denison. It combines social security with a supplemental add-on of benefits based on the civil service plan.

### Incentives provided

It provides incentives to career government service, Denison noted, while the early retirement option makes retirement sufficiently inviting so that there will be opportunities for younger workers.

A sound retirement plan "is a good investment for any business, whether it is General Motors or the U.S. government," Denison suggested.

The House committee decided to take the Ford-Oakar bill directly to a House-Senate conference, which is possible because the Senate attached its plan to a minor House-passed bill. Time is a factor since newer workers will have to start making full payments into both the civil service and social security systems in January unless Congress has completed action on a supplemental plan.

Both the House and Senate versions would allow both older and newer workers to supplement their retirement benefits with a thrift plan to which the government would contribute.

# Veto threatens publications with big postage rise

President Reagan's veto of a bill carrying funds for postal subsidies could be devastating to union newspapers and publications of other non-profit and charitable organizations.

Congress sought to continue a stretchout of the timetable for postage rate increases for non-profit groups, while the Administration has sought to eliminate the subsidy entirely.

Inclusion of an $820 million postal subsidy in the appropriations bill for the Treasury Dept. and the U.S. Postal Service was one of the provisions the White House said led to Reagan's veto. The Administration had also opposed funds added by Congress to beef up Internal Revenue Service tax-collection functions.

Reagan used the veto to chastise Congress for not acting on the controversial Gramm-Rudman balanced budget proposal—even though the White House was sending signals to Congress that the Senate-passed plan would be unworkable.

House leaders decided not to try to override the appropriations veto and sent the measure back to committee where efforts will be made to shape a compromise. If the postal subsidy were to be ended immediately, postage rates for non-profit publications would more than double.



# Stuff it, Marval

With Thanksgiving and the holiday season just around the corner, the Food & Commercial Workers and "Mama" are reminding families to shop carefully and not buy Marval turkeys or turkey products.

Mama says: "When employees have to put up with the kind of working conditions that these Marval workers do, plus unreasonable treatment by management, then somebody has to send that company a message...one that goes straight to their wallet."

Mama is television performer Vicki Lawrence.

Marval turkeys bear the plant number "P-18" on the U.S. Dept. of Agriculture stamp and are sold under the following brand names:

Armour, Bigger Brothers, Bird in Hand, Boston Beef, C&S Distributors, Del Farm, Dogwood Hill Farms, Esskay, Farmer Gray, Food Club, Frosty Acres, Kingston, Lancaster, Land-O-Lakes, Longacre, Louis Rich, Manor House, Marval, Maryland Chicken, Mazo Lerch, McSweeney's, Montoco, Rockingham, Shady Brook Farms, Shop Rite, Stu Leonard, Super True, Sure Fresh, Table Rite, Tender Pride, Top Frost, Weber Gourmet and Wilson.

# *UFCW's poultry workers maintain 17-month vigil*

Dayton, Va.—Seventeen months after their strike began, Marval workers are still walking the picket line at the giant poultry processor in Virginia's Shenandoah Valley.

The strikers, mostly women who earned less than $6 an hour, are members of Food & Commercial Workers Local 400. Their walkout began in June 1984, to protest the company's inhumane and degrading work rules, production speed-ups and unsafe working conditions.

A national boycott against Marval Poultry was endorsed by the AFL-CIO Executive Council in July 1984.

In time for the biggest turkey-buying season of the year, Operating Engineers President Larry Dugan joined the Local 400 members on the picket line, praising their "bulldog determination" for taking on a management "out to destroy the trade union movement."

Earlier, some of the striking workers described conditions at Marval as high-pressure and "prison-like." Restroom privileges were restricted, with workers required to get passes from supervisors. Anyone who left the cutting or production line without permission was "writtten up" or suspended. No medical personnel were available to diagnose or treat accidents resulting from sharp equipment and production "speed-ups," although the number of accidents had tripled since 1981.

Marval's response to Local 400's complaints was an attempt to slash wages, drop the grievance procedures and eliminate the union's health and welfare plan.

When nearly 500 UFCW members voted to walk out, Marval moved quickly to replace them with strikebreakers. On Oct. 1, 1984, Local 400 lost a decertification election.

But on March 27, 1985, National Labor Relations Board Regional Director Louis J. D'Amico charged Marval with using illegal payments and other dirty tricks to convince workers to oust the UFCW from the plant.

The NLRB complaint found that a Marval supervisor violated federal labor laws when he "telephoned employees and solicited their assistance in a campaign to decertify the union," and promised to pay those workers for their efforts.

Local 400 officials obtained affidavits from a number of workers who described company offers to pay "$15 for workers who would come to the plant early to solicit anti-union signatures and $15 to stay late" for the same purpose.

Rocco Enterprises, Marval's parent company, appealed the ruling. It is still pending before an NLRB administrative law judge.

But on the picket line, IUOE's Dugan predicted that "not even the reactionary, union-baiting National Labor Relations Board can ignore Marval's mean-spirited violations of the law."

# Job loss due to imports hits 700,000 households a year

Surging imports of steel, clothing and other foreign-made products caused workers in 2.1 million American families to lose their jobs in the past three years.

That's the finding of economic consultants Joel Popkin & Co. in a national survey of 1,600 households from June 1982 to June 1985.

The study found that 700,000 households have family members who lose their jobs every year because of imports or foreign competition.

Most of the job losses affected blue-collar manufacturing workers, the study pointed out, with 70 percent employed by large firms with 500 or more workers. Very few workers in service jobs were displaced, the study found.

The layoffs hit experienced workers and newer employees alike—36 percent of the laid off workers had ten or more years of service with the same employer while 39 percent had been with the same employer five years or less.

Foreign competition seemed to hit young workers the hardest, with 88 percent of those laid off under age 45.

Although 70 percent of the workers who lost their jobs during the three-year period eventually found new work, nearly half were re-employed at lower-paying jobs, and "very few reported higher pay than in their previous job," the analysts noted.

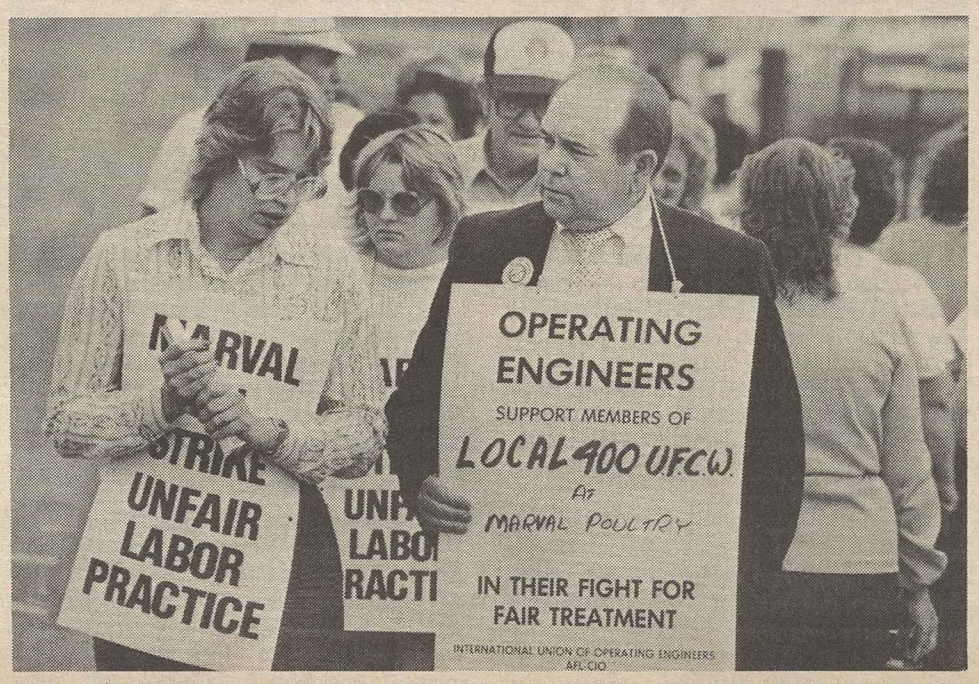
A similar survey by the Bureau of Labor Statistics confirmed that plant closings, payroll cutbacks and failing businesses took a heavy toll on American workers. The BLS review found that 5.1 million workers with three or more years of service lost their jobs during layoffs and plant closings between January 1979 and January 1984. Although more than half of this group eventually found new employment, many workers were forced to accept severe pay cuts, often exceeding 20 percent, the BLS pointed out.

The BLS study also found that hundreds of thousands of workers who found new jobs did not receive any health care benefits.

## Dennis Fitzgibbons joins Information Dept. staff

Dennis Fitzgibbons, formerly a senior speechwriter for Chrysler Corp., has joined the AFL-CIO Dept. of Information staff.

Fitzgibbons, 30, was a speechwriter for Sen. John Glenn (D-Ohio) before going to Chrysler in 1984. He has also served as an aide to Rep. Tony Coelho (D-Calif.), chairman of the Democratic Congressional Campaign Committee, and to Ambassador Robert S. Strauss in the U.S. Trade Representative's Office and in the 1980 Carter-Mondale campaign.




IUOE President Larry Dugan, Jr., talks turkey with Marval strikers.

# AFSCME picks up 6,000 in Ohio vote

Columbus, Ohio—The State, County & Municipal Employees won representation rights for 6,000 state-employed craft and maintenance workers.

The election involved one of many bargaining units set up following passage of Ohio's public employee bargaining law last year, a measure labor helped push through the state legislature.

AFSCME has won the representation rights for more than 20,000 of the 35,000 state public workers in a series of elections. In next month's elections for administrative support workers and professional staff, AFSCME is unopposed.

The vote by the craft and maintenance workers was 2,134 for AFSCME to 1,904 for the Communications Workers.

# *Kirkland cites vital role of unions in democracy*

**Continued from Page 1**

come the obstacles to reform;" the decline in the incidence of "death squad" attacks in El Salvador; and enactment by the U.S. Congress of foreign aid legislation that included funds for a Central American Development Organization (CADO).

The bad news, Kirkland said, is "Nicaragua's headlong rush into the totalitarian camp," highlighted by the the Sandinista government's recent suspension of "virtually all civil rights and liberties, including freedom of association and the right to strike."

He took sharp issue with those who claim that Nicaragua was pushed "into the arms of Moscow" by U.S. hostility to the revolution and U.S. government support for the contras.

The situation in Nicaragua is a case of "a revolution betrayed," Kirkland said. The "anti-democratic tendencies of the Sandinistas were manifest before the contras became a factor and, indeed, while the United States was providing aid to Nicaragua."

The decision to force all unions into the Sandinista labor federation "was made within 24 hours after they took power," he said. "The expulsion of AIFLD occurred while the AFL-CIO was supporting $117 million in aid to Nicaragua."

Kirkland rejected the contention that Nicaragua "would behave differently if only we were more persuasive, more generous, or set a better example in the conduct of our affairs." Such thinking, he said, suggests that the Sandinistas "could have been bought," and "betrays a condescending, imperialist cast of mind."

Kirkland reminded the assembled delegates that the AFL-CIO's 16th biennial convention in Anaheim, Calif., a week earlier had reaffirmed its support for a peaceful and democratic resolution to the problems of Central America.

He urged the leaders of Nicaragua and El Salvador to enter into negotiations with opposition forces "aimed at ending violent conflict by assuring all parties the right to democratic participation in the political process."

"We insist that freedom of association is essential to democracy—to bourgeois democracy, proletarian democracy, people's democracy, participatory democracy or any other kind of democracy" Kirkland stressed.

In this regard, he said, the CADO bill passed by the U.S. Congress is an important step forward because it supports a tripartite structure involving labor, management and government in the movement toward social reform and political democracy.

Of equal importance, Kirkland said, it would give Central America's democratic labor movements "significant and practical leverage in their struggles to expand trade union and human rights."



President Kirkland at Costa Rica conference. Others, from left, AIFLD Executive Director William C. Doherty, former Costa Rican President Daniel Odober, President Luis Alberto Monge Alvarez of Costa Rica, ORIT Gen. Sec. Ismario Gonzalez Urdaneta, Costa Rica's Minister of Information Armando Vargas and Bernandino Gomez of Portugal's Socialist Party. Delegates from 20 countries participated in the conference.

# *AIDS guidelines for workplace hailed by labor*

The AFL-CIO welcomed the publication of federal workplace guidelines for preventing the transmission of the virus that causes acquired immune deficiency syndrome (AIDS).

Margaret Seminario, the federation's safety specialist, stressed that the AIDS issue has become a "serious and difficult problem for many unions," especially those with workers in the health care field.

The guidelines, produced by the Centers for Disease Control, an agency of the Dept. of Health & Human Services, should be widely distributed and accompanied by educational materials, Seminario suggested, so that workers and employers can fully understand the problem.

"Presently, there is a lot of misinformation about how the AIDS virus is transmitted," Seminario said. "This has resulted in apprehension and anxiety in the workplace, as well as discriminatory actions against both those who have AIDS and those who may be exposed to it."

The AFL-CIO, in recent convention action, called on the CDC to develop guidelines. The federation will send copies of the guidelines to its affiliates.

Seminario noted that the AIDS virus can be transmitted only through sexual contact or through contact with blood from an infected person. She noted that the guidelines do not call for screening of workers for the virus and pointed out the AIDS virus is far less contagious than the hepatitis B virus.

The guidelines said "workers known to be infected with the AIDS virus should not be restricted from work solely based on this finding," nor should they be restricted from using facilities in the workplace.

## Beatrice Whitmore named to IAFF's federal staff

Beatrice E. Whitmore was appointed by the Fire Fighters as an international representative for federal employees.

Whitmore, a vice president of the union's Federal Fire Fighters Joint Council, is a former president of IAFF Local F-88 at Wright-Patterson Air Force Base in Ohio, where she had been a fire inspector.

# Negotiations urged to end strife in Central America

**Continued from Page 1**

Mario Soares of the Socialist Party of Portugal and Secretary General Ismario Gonzalez Urdaneta of the Inter-American Regional Organization of Workers (ORIT). The first such conference was held in June 1984 in Lisbon, Portugal.

The labor and political leaders renewed their support for the Contadora process and the backing provided by the Lima Group, but warned that there were "serious obstacles" in the path of peace.

"The absence of a firm political will in favor of justice, freedom and democracy is an unyielding barrier hindering the Contadora process," they declared. "The lack of a firm commitment in favor of demilitarization, disarmament and the withdrawal of external war-making factors also hinders the success of Contadora."

The declaration contained sharp criticism of international financial institutions for attempting to impose "recessive economic policies" on Central American governments. These "inhumane policies" have pushed workers and their families into "an even deeper mire of distress," and have fostered "forced emigration of Central American workers to the United States."

By "forcefully imposing financial formulas" on debt-ridden Central American governments, the world's banking institutions "deny the right to peace and democracy" to working class families and encourage perpetuation of the "immoral" concept that recovery can be achieved only by exploiting the "low-wage labor of workers and peasants."

Calling for a new program of development assistance that would benefit "the salaried majorities rather than the oligarchies," the resolution asserted that it is "unfair to burden the masses of the people with the heavy responsibility" for repaying the debts incurred by the wealthy.

"A new economic policy is urgently needed in order to reduce unemployment and misery and promote economic growth together with social justice," the delegates agreed. They called for the "militant solidarity" of democratic forces in Europe and elsewhere around the globe "to strengthen the hand of the fighters for democracy in Central America."

Latin American delegations came to the conference from Argentina, Barbados, Belize, Bolivia, Chile, Colombia, Costa Rica, the Dominican Republic, El Salvador, Guatamala, Honduras, Mexico, Nicaragua, Panama, Peru, Uruguay and Venezula.

They were joined by delegates from France, Portugal and West Germany.

# House scuttles key measure on plant shutdowns

**Continued from Page 1**

groups from the major faiths—that have carried on a years-long campaign to end the tragedy of sudden plant closings that abandon communities and leave workers stranded.

AFL-CIO Legislative Director Ray Denison said America was the loser when "business interests ganged up to defeat a very modest plant closing bill."

Any calls for labor-management cooperation by those who fought the legislation are now "exposed as hollow," Denison said. Labor-management cooperation to lessen hardship for workers and communities was the purpose of the defeated bill, he stressed.

A foretaste of the outcome was given a week earlier, when the House adopted a weakening amendment that stripped from the bill a requirement that firms meet with unions representing their workers to explore alternatives to a shutdown. That Republican-sponsored amendment was adopted, 215-193, with the help of 56 Democratic votes.

The bill's principal sponsors—William L. Clay (D-Mo.), William D. Ford (D-Mich.) and Silvio O. Conte (R-Mass.)—sought to shore up support for the notification requirement by working with the Education & Labor Committee's ranking Republican, James M. Jeffords (Vt.). The revised measure would have expanded the bill's small business exemption and put off the starting date of the legislation until a plant-closing study group recently appointed by Labor Sec. William E. Brock released the results of its study.

### Line drawn

The debate found the House divided several ways on the measure. But supporters drew the line at bargaining away the bare bones of the bill on the possibility of picking up another vote or two, especially with a Republican-held Senate and a hostile White House promising further hurdles.

The thrust of the argument by the bill's opponents was that government shouldn't intrude on a management decision or "harass" business. As one GOP foe explained during the debate, it wasn't as if management "liked" to fire people. In fact his own experience as an employer was that he felt sick every time he had to fire someone.

So in the end, 154 Republicans and 54 Democrats voted against requiring employers to give advance notice of a plant shutdown; 183 Democrats and 20 Republicans voted for the bill.

# Oklahoma gears up for 1986 RTW fight

Tulsa, Okla.—The Oklahoma AFL-CIO convention delegates geared up to continue the fight against a so-called right-to-work law in the state and re-elected Rex Reynolds as federation president.

Although no formal action was taken on the right-to-work issue, it was threaded through convention speeches and was the center of a fund-raising effort, Sec.-Treas. Ross Williams reported.

Right-to-work bills were defeated five times in the last legislative session, but as a result of the recent elections, proponents claim they have enough votes to force a public referendum on the issue.

Williams said that the backers of RTW lack the two-thirds majority needed to call a special election, so the earliest it could be on the ballot would be in August 1986.

Orville Tate, vice president of the Electrical Workers seventh district, pledged to try to get $1 per member per month from IBEW members in the state to aid in the fight against RTW. Buttons and T-shirts that read "Right-to-Work is a Ripoff" were sold to delegates to help raise additional funds.

### Four-year term

In the elections, Reynolds of the Food & Commercial Workers defeated Barney Allen of the Operating Engineers for the top post. Reynolds will serve for four years as a move to reduce the term to two years was defeated. The 1983 convention had increased the term from two to four years.

Williams of the IBEW was re-elected secretary-treasurer and Dennis Quish of the Transport Workers was elected to his first term as vice president.

Three new executive board members were elected and 19 others were re-elected. The new members are: Stan Kroeling of the Grain Millers, Jessie Jackson of the State, County & Municipal Employees and Rosetta Rogers of the Glass & Pottery Workers.

Delegates attended a workshop on workers' compensation, unemployment insurance and the National Labor Relations Board.

Delegates called for the federal and state governments to amend tax laws to require corporations to forfeit any tax gains they received from closing a U.S. plant if they have built any foreign plants within the previous five years.

# Unions detail flaws in U.S. trade policy

**Continued from Page 1**

Bieber's testimony for the UAW and the AFL-CIO termed the soaring U.S. trade deficit a national emergency.

Instead of just reacting—almost always inadequately and too slowly—"it is time for us to call the shots for ourselves," Bieber said. He urged as a first step congressional action on pending bills, including imposition of a surcharge to limit imports from countries that have used unfair trade tactics to penetrate the U.S. market.

Exploitation of workers abroad is a form of unfair trade tactics that U.S. law and policy should prohibit, Bieber said. In many of the developing nations, government-imposed repression of unions is used as an inducement to attract investment by multinational corporations.

"The suppression of basic labor rights should be treated under U.S. law and in international trade agreements as a subsidy," he urged, subject to counter-measures by the United States to prevent damage to U.S. industries.

"The United States can no longer afford to respond at a measured pace to unfair practices," Bieber insisted. "The threat of retaliation must be real if we are to make progress in eliminating these practices."

"We can no longer accept the unending negotiations to remove unfair barriers to our exports, one by one, while the trade deficit undermines our industrial base," Bieber testified.



Job-saving trade policy is urged by Auto Workers President Owen Bieber at Senate hearings. At right, UAW Legislative Director Dick Warden.

# Flight Engineers elect Widdicombe as Gill steps aside

Auckland, N.Z.—Alan Widdicombe was elected president of the Flight Engineers at the union's annual convention here.

Widdicombe, 57, succeeds William A. Gill, Jr., who has headed the FEIA for 20 of the past 22 years.

Gill, 61, did not seek re-election and was voted the title of president-emeritus.

In his farewell address, he urged delegates representing 4,000 flight engineers—1,500 of whom are employed by U.S. commercial airlines—to keep the union on the same path it has pursued for the past 37 years.

"We are organized into the best representational organization that politically and economically we can be," Gill said, expressing confidence that FEIA chapters can continue to negotiate job security for their members.

Gill reviewed the union's accomplishments in the past year in such areas as security, hijacking, deregulation, tax law changes and retirement.

The union's Frank Durkin Award was presented to Gill in recognition of his years of professional achievement on behalf of the FEIA and its members.

Delegates approved changes in the constitution and bylaws affecting its international affiliates but left standing all of the existing provisions dealing with its chapters in the United States.

Jerry L. Austin was re-elected executive vice president and secretary-treasurer.



Alan Widdicombe

# *Safety concerns prompt call for scrapping older airliners*

Toulouse, France—Scrapping of all passenger airliners that are more than 15 years old was endorsed here by union leaders representing 1.8 million aerospace workers in the United States and a dozen other countries.

The 120 union leaders, attending the third World Aerospace Conference sponsored by the Geneva-based International Metalworkers Federation, also called for establishment of an international agency to monitor airliner safety.

Safety became a conference issue because of the spate of recent air disasters in which 1,200 people have died. The IMF declared that, of the 6,441 commercial passenger planes currently in service, 1,000 are more than 16 years old and another 1,500 are 12 years old or more.

President William W. Winpisinger of the Machinists, chairman of the IMF's aerospace committee, said that with one-sixth of the commercial airline fleet aging rapidly, the public is being forced to travel aboard "flying coffins."

The disasters which have resulted, Winpisinger said, are an example of "technology out of control."

Sec.-Treas. Ray Majerus of the Auto Workers said that some of the blame for slashing the number of servicing personnel while continuing to use dangerously outdated aircraft could be laid at the doorstep of deregulation in the United States. Encouragement of cut-throat competition, he said, has forced carriers to reduce employment in their pursuit of profits.

IMF Gen. Sec. Herman Rebhan pointed out that the rise in airline profits has been accompanied by a sharp increase in "the danger to millions of flying passengers." He accused "profit-hungry airlines" of "cutting corners in servicing and safety in order to maximize passenger flying hours."

The IMF official was particularly critical of Japan Air Lines for the crash last August of a Boeing 747 in which 520 passengers died. That plane, Rebhan said, was kept in the air despite having been patched together following crashes in 1978 and 1982.

## Victims of greed

Those who died in the JAL crash, he said, were the victims of management's "greed."

The conference also focused on the need for international union cooperation to meet what the IMF called "the massive spread of research and production agreements" spanning companies in different countries.

Delegates approved a resolution urging all aerospace workers employed by companies involved in joint ventures to share information on work organization, health and safety, production, and financial and commercial details.

An IMF study said experience in other sectors shows that international union collaboration is best initiated by strong unions at the parent or dominant company in any joint venture.

"But," the IMF declared, "the domination of U.S. aerospace firms hampers collaboration because American management has a near-apoplectic dislike of unions and unionism."

# OMB rapped for rule delay on cotton dust

The Office of Management & Budget is coming under increasing congressional pressure to release the revised cotton dust standard that it has delayed for more than a month.

The proposed final standard is unique in that the textile workers and their unions, the industry and the Occupational Safety & Health Administration all agreed on the provisions of the standard, including the need for textile workers to undergo annual medical examinations.

But OMB has blocked it thus far, objecting to the cost of the annual medical examinations for workers who might be exposed to the hazard. The proposed standard would affect about 100,000 textile workers who could develop byssinosis or brown lung disease.

Rep. Joseph M. Gaydos (D-Pa.), chairman of the House Education & Labor Subcommittee on Health & Safety, assailed OMB's delaying tactics.

In a strongly worded letter to OMB Director James C. Miller III, Gaydos said the agency's action "is clear evidence of a continuing insensitivity to worker health and safety and appears to be an excessive use of agency authority."

## Early detection

Gaydos pointed out that regular medical examinations of textile workers "provides for early detection of brown lung disease and substantially reduces the incidence of the disease, reducing the burden on the health care system as well as the workers' compensation system."

Since everyone except OMB agrees on the standard, Gaydos said, it would seem "OMB's actions represent unwarranted and excessive government intrusion."

An OSHA spokesman said the agency anticipates OMB may hold up the standard until early next year.

A report prepared by the Labor Dept.'s Office of Regulatory Analysis shows that even with full compliance with the new dust exposure limits, some 6,000 workers out of a workforce of 100,000 would get brown lung disease. With a medical surveillance program, however, the number could drop to under 1,000.

The most likely presumption, the report said, is that "medical surveillance programs, which facilitate the transfer of ill workers while the disease is still reversible, is the greatest contributor to the successful prevention of these 5,000 cases."

The budget office contends that annual medical examinations would be too expensive when measured against the potential benefits to society, according to a Labor Dept. official.

# Economy rumbles on rollercoaster

**Continued from Page 1**

was paced by an automobile-buying spree by consumers lured into dealers' showrooms by price cuts and bargain-basement financing.

This prop was removed from the economy in October when 1986 models hit dealers' showrooms, as two key sets of statistics made clear:

- Retail sales nosedived 3.3 percent last month—the sharpest drop since the government began publishing these statistics in 1967—erasing most of the gains chalked up in the preceding two months.
- Producer prices showed a surprisingly steep rise of nine-tenths of 1 percent—the largest one-month increase since April 1981—negating the declines of six-tenths of 1 percent in September and three-tenths of 1 percent in August.

Underscoring the continued failure of the post-recession "recovery" to reach down to American workers was the latest report from the Bureau of Labor Statistics, showing that a majority of the states had higher joblessness levels in September than they did a year ago.

The grim employment statistics were no respecter of region.

In sun belt states, unemployment climbed 2 percent in Arizona, 1.7 percent in New Mexico, 1.4 percent in Texas and Louisiana, and 1.1 percent in Georgia.

In the rust belt, joblessness went up sixth-tenths of 1 percent in Connecticut, five-tenths of 1 percent in Illinois, and 1 percent in Ohio.

In the farm belt, unemployment rose 1.1 percent in Nebraska, eight-tenths of 1 percent in Iowa and seven-tenths of 1 percent in Kansas.

Only one state—Michigan—showed no change, with joblessness stuck at the year-ago level of 9.8 percent, while 22 states showed a decline in unemployment, paced by 2.8 percent in Alabama, 2 percent in North Carolina and 1.6 percent in Pennsylvania.

Meanwhile, strong import competition pushed down the rate of utilization of the nation's productive capacity. The October level was 80.2 percent, compared with 80.4 percent a year ago, and 1.8 percentage points below the 82-percent peak reached in July and August 1984, the high point of the "recovery."

In other economic developments:

- Housing construction rose 10.8 percent in October, rebounding from the steep 8.7-percent drop the previous month. In what could be an ominous sign for the future, however, permits for new construction fell 7.2 percent last month—the biggest one-month decline since July 1984.
- BLS reported that most major industries registered substantial productivity increases in 1984, paced by a 13.1-percent improvement in steel and 4.8 percent in autos—two industries where jobs are disappearing and plants are closing in the face of unremitting import competition.

# New yardstick will skew GNP data

The Commerce Dept. is scheduled to announce an apparent major surge in the gross national product next month—but it will achieve this goal only by making wholesale changes in the way it charts economic growth.

The government will shift the "base year," which it uses for measuring the GNP from 1972, when the country was enjoying relative prosperity, to 1982, when the nation's economy was mired deep in the Reagan Recession.

In the process, it will downgrade the economic realities of the 1972-1982 period, which was marked by several years of rapid inflation. The resulting skewed picture will show a surge in the national economy since President Reagan took office.

Officials at the Commerce Dept.'s Bureau of Economic Analysis said that the move was designed to reflect better reporting of the "underground economy" and the growing influence of the computer industry.

The changes in the way that national income and products data are compiled will mark the eighth major revision in the government's methodology. The last such revision took place in 1980.

## Export loophole

# Reagan scheme hit on Alaskan oil

The AFL-CIO asked Congress to tighten restrictions on exports of Alaskan oil and thwart a Reagan Administration ploy to exploit a loophole in the law.

Legislative Director Ray Denison told a House Foreign Affairs subcommittee that the case against exports of oil from Alaska's North Slope is equally valid against a proposed sale of oil from Alaska's smaller Cook Inlet fields near Anchorage.

Oil sent to a port through the Trans-Alaska pipeline cannot be exported except under stringent criteria that take into account national and consumer interests. Congress reaffirmed that policy just this year by extending the ban for five more years.

But because Cook Inlet oil is produced near a navigable port, it does not move through the pipeline and is shipped directly by tanker to West Coast refineries.

Using that loophole, President Reagan last month set in motion an administrative procedure that would allow the oil to be exported to Japan.

While the Cook Inlet produces some 43,000 barrels of oil a day compared with 1.7 million barrels of North Slope production, the breach of the no-export policy is viewed as a wedge for future exports of North Slope oil as well as damaging to the U.S. economy in its own right.

Alaskan oil production has brought the United States a big step closer to energy self-sufficiency, Denison noted. An important byproduct, he stressed, has been the development of a transportation system using American-flag tankers and U.S. crews.

The Cook Inlet oil, because of its location, is less costly than North Slope oil and its elimination would force the San Francisco refinery which processes it to buy higher-priced replacement oil or shut down, Denison testified. Every barrel of Alaskan oil sold will have to be replaced by higher-priced imports from less stable parts of the world, he noted.

And while the Administration argues that only a relatively small quantity of oil would be exported, Denison said he has "no doubt" that the interests pushing for the breach in policy still have as their goal the unlimited export of Alaskan oil.

The Alaskan oil trade is vital to the U.S. tanker fleet, Denison testified, employing 46 percent of the vessels and 74 percent of the tonnage. Without that capacity, he warned, America would be dependent on foreign-registered vessels in any emergency.

"We strongly oppose any effort to permit the export of Alaskan oil," Denison testified. If it is allowed, he said, "consumers, labor and industry will be hurt, and our national security will be weakened."

# New Mexico convention elects Suarez

Albuquerque, N.M.—The New Mexico AFL-CIO elected a new president and charted its legislative and political course at its 24th biennial convention here.

Johnny Suarez of the Carpenters was elected president, replacing Frutoso N. Chavez who did not seek re-election. Delegates returned Executive Sec.-Treas. Neal Gonzalez to office for his ninth two-year term and elected George Dunivan of the Food & Commercial Workers first vice president. Ten new members were elected to the 26-member executive board.

The 150 delegates placed a state hazardous substance "right-to-know" law and improved pay and benefits for teachers and state employees at the top of their legislative priority list.

The convention also urged local unions to activate COPE committees for upcoming state and national political campaigns.

AFL-CIO Sec.-Treas. Thomas R. Donahue, in an address to the delegates, outlined the federation's new approaches to organizing, including the "union associates" program, endorsed by the AFL-CIO convention in October. That plan would allow AFL-CIO unions to offer certain membership benefits to union supporters not currently covered by collective bargaining agreements.

Other convention speakers included Gov. Toney Anaya (D); Alfredo Montoyo, director of the Labor Council for Latin American Advancement, and Joseph Valasquez of national COPE.

# THE FREEDOM LETTER
## from one million Americans to Bishop Desmond Tutu

The people of
**The United States of America**

*A special message from South Africa*



UPI/Bettmann Newsphotos

"I pray that the freedom loving people of the United States will not let the government of South Africa think that Reverend Falwell speaks for all America.

"It is time for good people to be heard — loud, clear and now."

Desmond Tutu
Johannesburg

Dear Bishop Tutu:

Jerry Falwell does not speak for me -- or for America.

The American people know that apartheid is a crime against the human soul. It is a moral outrage. We condemn it.

By signing this FREEDOM LETTER we say NO to Mr. Falwell, NO to apartheid, and NO to the Government of South Africa.

I am proud to stand with you, Pope John Paul, Coretta Scott King and one million other Americans to speak with a single and solid voice against the oppression of the Black people in South Africa.

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Return your petition to AFL-CIO Dept. of Civil Rights, 815 16th Street, N.W., Washington, D.C. 20006.

AFL-CIO President Lane Kirkland has asked affiliates to obtain a million signatures on letter pledging labor's support for Bishop Tutu's efforts to bring an end to the "moral outrage" of apartheid in South Africa.



IUE President Bywater receives WDL award from J.C. Turner, left.

# Bywater honored for human rights, bargaining roles

New York—The Workers Defense League presented its top annual award to William H. Bywater, president of the Electronic Workers.

The IUE leader was honored for his role in human rights, both at home and abroad, and for his leadership of the coordinated bargaining committee that represents 13 unions in negotiating with the huge General Electric and Westinghouse companies.

The David L. Clendenin Award was presented to Bywater by J.C. Turner, president emeritus of the Operating Engineers and last year's winner of the League's award.

Jack Sheinkman, secretary-treasurer of the Clothing & Textile Workers, introduced Bywater as a "leader who enriches our movement by his principles, honesty and compassion."

In accepting the award, Bywater scored the Reagan Administration for its continued free-market philosophy that has resulted in a flood of imports. The impact has been the loss of many jobs in the electronics industry to workers overseas.

"We have exported jobs and imported unemployment," Bywater told the audience. "The United States is rapidly becoming a have-not nation."

The bargains found in the marketplace are really no bargain when the end result is the loss of work and dignity for American workers, he said.

The Workers Defense League was formed in 1936 as a permanent, nonpartisan organization to coordinate legal and financial resources and to organize publicity to defend the rights of workers.

The WDL's newest project is a program to train volunteers to assist in rectifying the long-standing abuses of unemployment insurance rules which result in arbitrary disqualifications of out-of-work people.

# Pentagon snubs wartime role of merchant sailors

New York—A Pentagon decision denying veteran's benefits to American seamen who served on U.S.-flag merchant ships in World War II was denounced by Maritime Union President Shannon J. Wall as "mean-spirited and un-American."

The NMU has battled for four decades "to get the deserved recognition for the seamen who served, sacrificed and died" in the war, Wall said.

But the Defense Dept. has consistently refused to provide benefits. In its most recent refusal, the Pentagon contended that the role merchant seamen played on convoys and in invasions did not constitute "active military service."

Seamen suffered casualties "equalled only by the Marine Corps," Wall said. He cited President Reagan's pre-summit television address which laid particular stress on the casualties suffered on the North Atlantic and North Sea convoys.

There are less than 1,000 surviving World War II seamen who would qualify for veterans' benefits, Wall said.

# EDITORIALS

## Psychological Strip Search

IS THERE A NEED for federal legislation to prohibit the use of polygraph tests in private employment? Or do state and local laws adequately protect employees and job applicants from the humiliation of being hooked up to a so-called "lie detector" while being questioned by an employer?

A federal law is very much needed, the AFL-CIO Food & Allied Service Trades Dept. confirmed with a bit of investigative reporting.

To start with, many jurisdictions do not have any restrictions on polygraph questioning by employers. And as unions such as the Food & Commercial Workers and the Hotel Employees & Restaurant Employees have discovered, the diversity of laws invites evasion.

Take the experience of the FAST legislative aide who applied for a job at a Radio Shack store in the District of Columbia, where polygraph testing by employers is illegal. The chain also has stores in nearby Maryland, where there is less stringent regulation of polygraph testing, and in Virginia, where there are no restrictions.

Before offering her a job at one of its D.C. stores, the chain sent her to Virginia to take a polygraph test—an action which probably violated the D.C. law. But since no one has ever been prosecuted under the statute, Radio Shack management clearly wasn't taking much of a risk.

HOOKING A PERSON to a polygraph machine has been described as a "psychological third degree." Mary C. Brazell, who went through the ordeal to test compliance with the local ordinance, likened the experience to "awaiting the electric chair." Among the questions was whether any member of her family had been on welfare or applied for food stamps.

In some jurisdictions, such as Maryland, employees or job applicants can be asked, but not required, to subject themselves to the polygraph machine. Supposedly, a person who declines cannot be penalized. But does anyone doubt that the intimidation is there? As an official of a polygraph testing business said to a reporter, "Why would somebody not want to take it unless they had something to hide?"

One might ask the same question; of course, of anyone objecting to such indignities as strip searches, opening of personal mail or telephone bugging.

The House Education & Labor Committee has reported a bill barring virtually all polygraph testing by private employers, and a companion measure in the Senate has bipartisan sponsorship. The legislation is needed.

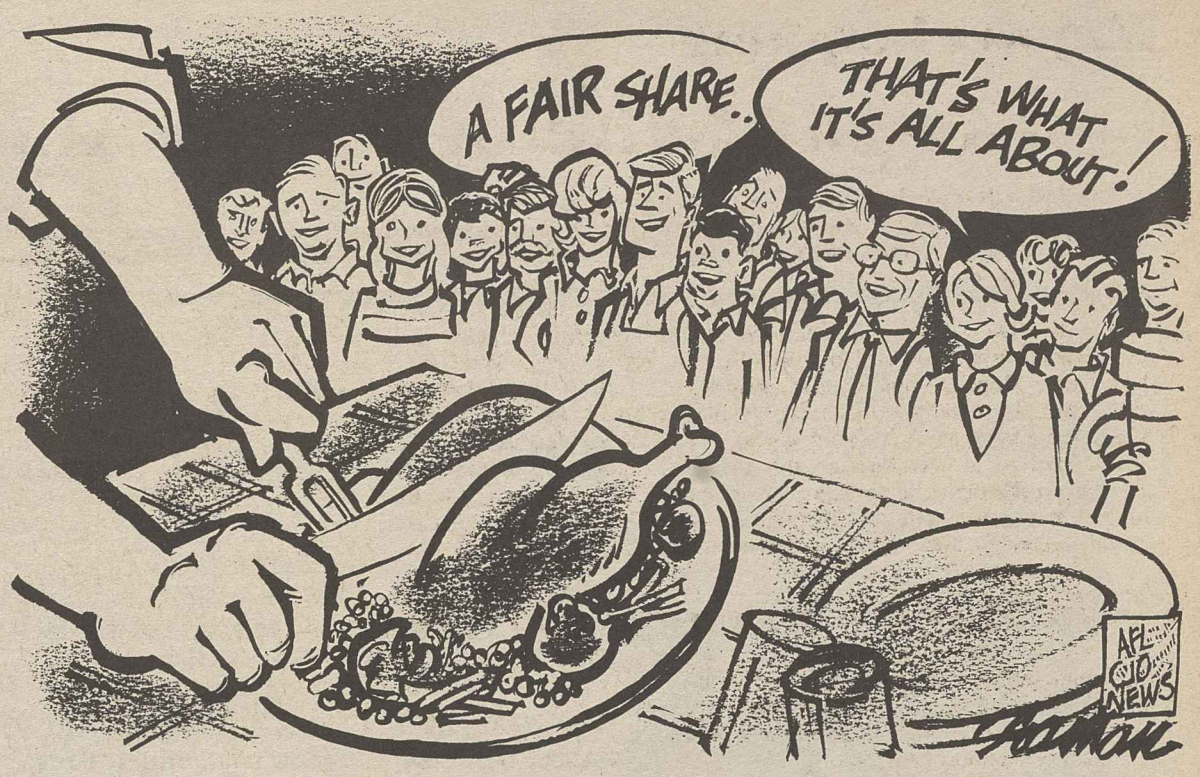
Good employers can and do protect themselves against dishonesty without the trappings of a police state. The polygraph machine has no place in the business relationship between workers and their employers.

## In the Grip of Zealots

A NEW YORK TIMES editorial largely endorses the AFL-CIO charge that the Reagan Administration's failure to enforce the Occupational Safety & Health Act contributed to the big rise in work-related injuries and illness.

Progress achieved under the Carter Administration's Eula Bingham was wiped out by Reagan appointees Thorne Auchter and Robert Rowland, it charges. "Through exuberant budget-cutting, they stripped the agency of technical and scientific expertise. With piddling fines they let employers know that OSHA had no teeth."

Labor Sec. William E. Brock is trying to get a new OSHA head cleared by the White House, the editorial notes. "But no matter how capable, a new OSHA chief can be no more effective than the Administration allows." Despite concerns expressed by Labor Sec. Brock, it concludes, "the Administration seems in the grips of zealots who want not to see OSHA improved, but eliminated."




**Washington Window**

# Slower growth expected in service industry jobs

**By Press Associates, Inc.**

In the world of work, nothing is more constant than change. New technology and inventions, international competition, business cycles, trade policy, tax laws, the drive for the highest profit—these and other factors are ever revolutionizing the nation's workforce.

In recent years, the economy's service sector has expanded rapidly while employment in manufacturing has declined. A new study by the Labor Dept.'s Bureau of Labor Statistics forecasts that the number of service jobs will continue to grow over the next 10 years, but at a slower rate than during the past decade.

The steady job loss in manufacturing will give way to a moderate expansion, but this sector will continue to decline as a proportion of total U.S. employment, the study predicted.

The nation's economy, depending on its health, will add between 10 million and 21 million jobs in the next decade, the study said. If the economy grows at a modest 2.9 percent rate during this period, slightly above the 2.4 percent growth rate between 1973 and 1984, more than 15 million jobs will be created, it said.

In that case, the BLS study said, the labor force will reach 129 million and the unemployment rate by 1995 will inch down from the current 7.1 percent to 6 percent—still very high by post-World War II standards.

### Changing workforce

Whatever the growth rate, about 9 of the 10 new jobs will be in the service-producing industries, the study projected. It said:

- Occupations with the greatest number of new jobs will be, in declining order: cashiers, registered nurses, janitors and cleaners, truck drivers, waiters and waitresses, wholesale trade salesworkers, nursing aides, retail salesworkers, accountants and auditors. These occupations will expand by more than 3.5 million jobs.
- Clerical, office and other administrative support jobs are expected to expand less rapidly during the next 10 years as a result of computerized office equipment. Even so, these jobs will grow by nearly 2 million, to 20.5 million, keeping it one of the largest occupational groups.
- The fastest growing occupations will be, in order: paralegals, computer programmers and analysts, medical assistants, data processing equipment repairers, electrical and electronics engineers and technicians, computer operators, travel agents, physical therapists, financial services salesworkers, mechanical engineers, lawyers, correction officers, accountants and auditors, registered nurses and employment interviewers.
- Manufacturing will grow modestly to about 21 million jobs by 1995, but these jobs will represent only 17 percent of total employment, compared to 25 percent in 1969.
- The three occupational groups accounting for the largest proportion of workers requiring post-secondary education or training—managers, professional workers and technicians—will increase faster than the average for total employment.
- Craft, precision production and repair occupations will grow by nearly 12 percent, somewhat slower than total employment. These jobs are heavily tied to manufacturing, which will grow slowly, and to construction, which will grow faster than manufacturing, but somewhat less than the average for total employment.
- Machine operators, fabricators and laborers—which declined during the past decade—will increase about 7 percent.
- The occupations which will decline most rapidly over the next 10 years include many which have been suffering job losses in recent years because of imports and automation. The textile and apparel industry, a leading example, is expected to lose about 350,000 more jobs. Farming, forestry and fishing jobs are expected to decline about 3 percent, less than half their decline in recent years.

The continuously changing make-up of the workforce poses a challenge to organized labor to adapt and meet the needs of workers and their families and communities.

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# AFL-CIO LEGISLATIVE ALERT!



## Bills Draw Broad Support

**A host of union officials testify on occupational disease. Below, seated, left to right are Margaret Seminario, AFL-CIO; Mike Silverstein, UAW; Ken Miller, OCAW; Frank Mirer, UAW; Jack Sheehan, USWA and Sheldon Samuels, IUD**

**Testifying at left are Ray Denison, AFL-CIO Legislative Director and Howard Samuel, President, IUD**



# Occupational Disease At Epidemic Levels, AFL-CIO Seeks Federal Compensation Plan

Suffering and death from work-contracted diseases have reached epidemic proportions in the U.S. As a result, Congress has begun work on two important bills that would alert employees to dangerous work conditions and compensate them and their dependents when disease strikes.

It is estimated that 25 million workers are exposed to harmful substances of some kind, and 11 million of these are exposed to known or suspected cancer-causing substances or processes. One of these -- asbestos -- will kill 200,000 workers over the next 15 years.

The AFL-CIO is urging Congress to pass H.R. 1309, the High Risk Occupational Disease Notification And Prevention Act, and H.R. 3090, the Federal Occupational Disease Compensation Act. The first would alert employees to workplace dangers and the second would create a federal program of compensation.

During testimony before Congress, spokespersons from the AFL-CIO and its member unions praised the features of the two bills. Among those stressing the great need for quick action were Legislative Director Ray Denison, Industrial Union Department President Howard Samuel and Margaret Seminario, Associate Director of the Department of Occupational Safety, Health and Social Security.

H.R. 3090, sponsored by Rep. Pat Williams (D-MT), would:

* Replace scattered state systems with a strong federal compensation program.
* Give asbestos-contaminated victims immediate coverage.
* Permit workers to retain their rights to sue for damages.
* Cover diseases other than those asbestos-related through a trigger and rulemaking procedure.
* Create a federal compensation insurance fund.

H.R. 1309 would for the first time establish a system for notifying workers at high risk and for providing appropriate medical surveillance. This program alone could save thousands of workers from an early death and provide incentives for employers and manufacturers to reduce risk and exposure in the workplace.

## Double Breasting Bill Clears House Committee Unscathed

Important legislation to bring an end to double-breasting in the construction industry has cleared the House Education and Labor Committee and is expected to reach the House floor soon.

With the tacit approval of the NLRB, union construction firms across the country are evading the Federal labor law by setting up non-union operations under the same corporate structure. These phony companies drain work away from the union operations and threaten to undermine the wages and benefits that construction workers have gained in security and income over the years.

H.R. 281, sponsored by Rep. William Clay (D-MO) would end these abuses and restore the original intent of Congress.

The bill came out of committee without alteration and has a good chance of getting full House approval before the end of this session. However, there is strong opposition from contractor associations and the perennial National Right To Work Committee.

Attempts will be made to amend or weaken the bill on the floor so workers should write their representative as soon as possible, stressing the importance of this legislation.

## Taxing Benefits: Moment Of Truth Arrives For House Of Representatives

The moment of truth has arrived for tax reform in the House. The Ways and Means Committee, Chaired by Dan Rostenkowski (D-IL) could report out its tax package before the Thanksgiving recess, and as with most tax bills in the House, there will be limited, if any opportunity for amendments on the floor. This bill could come to the House floor before the tentative adjournment on December 13.

The effect of a year-long campaign by workers and their families to stop the taxation of employee benefits and to retain the deduction for state and local taxes could be measured in the next few days. As of the middle of November, over 70,000 postcards opposing the unfair tax on worker supports were received by key members of the House Ways and Means Committee.

The package now before the tax writing committee would tax health care premiums above a ceiling of $120 per month for individuals and $300 for families. It would also tax all group life insurance payments, death benefits, employee education assistance, group legal services and unemployment compensation. It originally included a tax on worker compensation.

These critical issues, including the deduction for state and local taxes, are yet to be addressed and time is running out. Most of the key decisions will be made in the next few days, so now is the best time for workers to contact their lawmakers one more time.

On September 20, Rep. Augustus Hawkins (D-CA), with the support of the AFL-CIO, introduced a resolution in the House opposing any tax whatsoever on the hard-earned support benefits of working families. As the weeks passed, H.R. 268 gained momentum, due in a large part to the continued grassroots efforts of union activists across the country.

The measure now has 279 cosponsors, including many important House leaders.

### AFL-CIO's Fair Tax

In answer to the Reagan Administration, the AFL-CIO has outlined a fairer system of tax reforms that would take the burden off the backs of working families and make the wealthy and corporations pay their fair share. The plan includes more equitable tax brackets that would reduce the tax cuts for wealthy individuals now contained in the Administration's package.

It would establish a fairer personal exemption so that a middle class family's children would receive the same tax deduction as a rich child.

It would reduce the capital gains and foreign tax credit loopholes enjoyed by the rich, eliminate a proposed corporate dividend deduction windfall, create more equitable tax rates for corporations including a minimum tax and at the same time raise needed revenues to help reduce the deficit.

### What You Can do

If you haven't written, do so now. If you have, do it again. A simple postcard to your representative will do. Urge him or her to oppose any legislation whatsoever that includes a tax on worker support benefits or a repeal of the important state and local tax deduction. Do it today!

# *Imports pushing U.S. trade deficit to new high*

## Exports drop in October to 20-month low

By Gene Zack

The nation's trade deficit raced headlong toward a record-smashing high despite a narrowing in the export-import gap to $11.5 billion in October.

For the first 10 months of this year, the Commerce Dept. reported, the trade deficit totaled $118.1 billion, 11 percent ahead of last year's blistering pace for the same period, when the 10-month figure was a grim $105.5 billion.

While the surge in imports slowed a bit to $28.8 billion in October, U.S. exports fell to $17.4 billion—the lowest monthly level since February 1984.

Although last month's deficit was lower than September's $15.5 billion—an all-time one-month high—"that is nothing to be thankful for," said AFL-CIO Research Director Rudy Oswald.

"America's trade problems continue to grow unchecked," Oswald said, threatening more hard times ahead for American industries and their workers who have been trapped in the path of the import juggernaut.

The largest deficits are concentrated in the manufacturing sector, he emphasized, although America's farmers "are also paying a high price because an over-valued dollar and import-export policies practiced by other countries" are driving U.S. farm products from world markets.

### Heading higher

Oswald pointed out that, with two more months still to go, the 1985 trade deficit is a scant $5.2 billion below the $123.3 billion chalked up in all of 1984—the worst performance in the nation's trading history.

Underscoring the concerns expressed by the AFL-CIO, Beryl Sprinkel, the President's chief economic adviser, predicted that not only will the trade deficit reach a new peak this year, but that 1986's deficit will be even worse. He blamed the over-valued dollar, which makes American products harder to sell overseas and attracts a flood of cheap imports to this country.

The disastrous trading performance has led to growing pressure in Congress for action on labor-backed legislation to aid domestic industries, where more than 270,000 jobs have been wiped out since the beginning of the year—and some 2 million jobs have been lost since President Reagan took office—all as the result of imports.

Automobile imports declined in October to $2.8 billion from September's unusually high level of $4 billion.

Oswald attributed this to the general slump in automobile car sales following the end of aggressive selling techniques to move last year's models. Like domestic producers, he said, foreign carmakers are reluctant to see a huge buildup in dealer inventories at a time when demand is slackening.

Mirroring the drop in automobile imports, America's trade deficit with Japan narrowed to $3.2 billion after having set a record of $5.1 billion in September. But the U.S. deficit with Japan remains larger than with any other country.

On the other sign of the trade coin, October's exports of manufactured goods slumped almost 3 percent to $11.8 billion, while agricultural sales rose 5.1 percent to $2.26 billion.

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# House panel rules out tax on workers' job benefits




**March against apartheid**

Union supporters mark first anniversary of demonstrations against apartheid in South Africa with a march to the South African embassy in Washington. Nearly 2,000 demonstrators took part, including AFL-CIO Vice President Gene Upshaw and Civil Rights Director William Pollard.

## *Final version responds to labor protests*

By David L. Perlman

The House Ways & Means Committee stripped President Reagan's "tax reform" proposal of its worst elements—an attempt to slap an employment benefits tax on workers and elimination of the federal income tax deduction for taxes paid to state and local governments.

Spurred by a grass-roots campaign mounted by the trade union movement, 279 House members signed on as sponsors of a resolution by Rep. Augustus Hawkins (D-Calif.) opposing taxation of employment benefits.

With such a big majority of the House clearly on record, the Democratic majority of the Ways & Means Committee looked to the corporation profits tax as the alternative to taxing worker benefits. (For account of labor's campaign, **see story on Page 3.**)

The bill it adopted would make the complex federal tax structure more equitable by requiring corporations that have paid little or no taxes to assume a fairer share of the burden.

### Corporate tax

One of the committee's final actions was to move the corporate tax 1 percent higher than anticipated to offset elimination of proposed taxes on health insurance and other employer-provided job benefits.

In the end, the committee did succeed in the enormously difficult task of shaping a package that has a realistic chance of winning House approval.

That's the "first-look" impression from labor's point of view. But because of the complexity of tax legislation, the AFL-CIO will be taking a much more detailed look at the bill's probable impact before making a judgment.

The House committee passed up the opportunity to raise revenue and decrease the budget deficit by doing a more effective

**Continued on Page 3**

# Dixie organizing gains mark union resurgence

A resurgence of organizing in the South has led to significant successes for affiliates of the AFL-CIO Industrial Union Dept.

Through the first ten months of this year, IUD Organizing Director Harold McIver said, the department participated in 32 representation elections. Its affiliates won 25 elections to gain bargaining rights for 4,000 workers. Four other elections are in litigation. IUD affiliates lost only three times, in units totaling just over 600 employees.

Major organizing successes in 1985 include:

- Ladies' Garment Workers, 650 employees at two Fitzgerald Underwear plants in Georgia.
- Steelworkers, 600 employees at Batesville Casket Co., Manchester, Tenn.
- Carpenters, 225 employees at Fleetwood Homes, Lexington, Miss., and 261 employees at Coastal Lumber Co., Havana, Fla.
- Auto Workers, 200 employees at Lilliston Corp., Albany, Ga.
- Electrical Workers, 281 employees at Katon Industries, Hazlehurst, Miss.
- Food & Commercial Workers, 215 employees at Farm Fresh Catfish, Hollandale, Miss.

In addition, the Rubber Workers have an election scheduled Dec. 6 for 150 employees at a new Data Technology plant in Dadeville, Ala., just 25 miles away from its plant in Opelika, where the URW has representation rights.

The URW, with IUD assistance, has also petitioned for an election among 200 employees at Carolina Rubber Hose in Salisbury, N.C.

McIver credits an "attitude change on the part of workers" in the South for the increasing success of union organizing efforts.

**Continued on Page 6**

# Real earning plunge again, leaving workers worse off

Real earnings fell a sharp six-tenths of 1 percent in October, the Labor Dept. reported, leaving America's workers worse off than they were a year ago.

Wage increases averaging 3 percent over the past 12 months were more than eaten up by a decline of three-tenths of 1 percent in the average workweek and a 2.9-percent hike in the cost of living.

The result, said the Bureau of Labor Statistics, was that workers' average purchasing power in October was two-tenths of 1 percent below the same month of 1984.

The consumer price index inched up three-tenths of 1 percent last month, paced by the continued inexorable upward movement in health care costs, plus sharp rises in shelter costs, auto finance charges and educational costs.

A five-tenths of 1 percent rise in medical care costs—the same as in September—meant that Americans are now paying 6.5 percent more for health care than they did a year ago.

Shelter costs went up sixth-tenths of 1 percent last month, mostly as the result of rent increases, leaving this component of the family budget 5.2 percent above where it was in October 1984.

Automobile finance charges surged 1.9 percent in October, BLS said, signaling an end to the "incentive financing" to which manufacturers and dealers resorted to reduce inventories before the start of the new model year. This financing ploy had skewed a number of economic indicators over the past several months.

Further evidence that the August-September car-buying boom was over came as the industry reported that sales of new domestic cars nose-dived 27.2 percent in mid-November from a year ago. Ford's sales were off 30.7 percent, Chrysler reported a

**Continued on Page 4**

MEMO FROM COPE

PAGE 8

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11/30/85

# House rollcalls on plant shutdown bill

More than five million Americans have suffered the loss of their jobs through plant shutdowns in the last five years. Thousands of factories, work sites and stores have shut their doors—often with no notice to employees, leaving behind stricken communities and broken families. In Congress, a modest legislative proposal, formulated by Representatives William D. Ford (D-Mich.), William L. Clay (D-Mo.) and Silvio Conte (R-Mass.), would have cushioned the blow by requiring that employers give notice of an impending shutdown and that they meet with employees to discuss the possibility of alternatives.

On Nov. 21, after prolonged debate and the adoption of weakening amendments, the House of Representatives adopted a notification proposal by a 211-201 vote and then, reversing itself, killed the measure by a 208-203 vote.

The Labor-Management Notification & Consultation Act (H.R. 1616), with 175 cosponsors, and following modification on the House floor, would have required an employer with 50 or more workers to give 90 days' notice of closing or a layoff involving more than 50 workers. It required that consultation take place with the firms' workers where there was a collective bargaining arrangement and provided that the Federal Mediation & Conciliation Service be notified and be available to assist in consultations. It also provided for a National Commission on Plant Closings & Worker Dislocation.

When the bill came before the House, the National Association of Manufacturers, the Chamber of Commerce and scores of corporate lobbyists in Washington opened an all-out assault. In terms that were echoed on the floor by the bill's opponents, the bill was derided as "cuckoo economics" and "dangerous" and would push companies into bankruptcy.

Meanwhile, representatives of the AFL-CIO and affiliated unions, as well as the League of Cities, the U.S. Catholic Conference and other community interest organizations, sought out vacillating legislators to combat the often wild and erroneous attacks on the measure.

The first test vote came on an amendment by Rep. Steve Bartlett (R-Tex.) to strike the provision requiring consultation between the employer and workers. The provision required only that talks be held, with no requirement that any resolution of the problem be reached. The purpose of the provision was to explore avenues to keep the facility open, possibly through the involvement of the community or through a worker participation mechanism.

**Vote No. 1. On Nov. 13, the House voted 215-193 to accept the Bartlett amendment, striking from the bill the provision to require consultation. Right votes (R) against the amendment were cast by 178 Democrats and 15 Republicans. Voting wrong (W) were 159 Republicans and 56 Democrats. There were 26 members absent (A).**

When the Bartlett amendment revealed the heavy inroads by the corporate lobbyists and the timidity of several Democrats and many more Republicans, a decision was made to modify the bill slightly to increase the likelihood of passage.

When the bill was returned to the House floor on Nov. 21, Rep. James Jeffords (R-Vt.) offered an amendment, supported by the bill's original sponsors and the AFL-CIO, which provided for 90 days' notice where more than 50 workers faced a layoff or if more than 30 percent of the firm's workforce would be affected.




**Vote No. 2. On Nov. 21, the House voted 211-201 in support of the AFL-CIO-backed Jeffords amendment providing for pre-notification. Right votes in favor of the amendment were cast by 189 Democrats and 22 Republicans. Voting wrong were 153 Republicans and 48 Democrats. There were 22 members absent.**

An attempt followed by Rep. Buddy Roemer (D-La.) to further weaken the Jeffords amendment. It was soundly beaten, paving the way for final passage. But the House then reversed its earlier vote and defeated the bill.

**Vote No. 3. On Nov. 21, the House voted 208-203 against final passage of H.R. 1616 as amended. Right votes in favor of passage were cast by 183 Democrats and 20 Republicans. Voting wrong were 154 Republicans and 54 Democrats. There were 23 members absent.**

| | | | |
|---|---|---|---|
| **ALABAMA** | | | |
| 1. Callahan (R) | W | W | W |
| 2. Dickinson (R) | W | W | W |
| 3. Nichols (D) | W | W | W |
| 4. Bevill (D) | R | R | R |
| 5. Flippo (D) | W | R | W |
| 6. Erdreich (D) | W | R | W |
| 7. Shelby (D) | W | W | W |
| **ALASKA** | | | |
| AL Young (R) | R | R | R |
| **ARIZONA** | | | |
| 1. McCain (R) | W | W | W |
| 2. Udall (D) | A | R | R |
| 3. Stump (R) | W | W | W |
| 4. Rudd (R) | A | W | W |
| 5. Kolbe (R) | W | W | W |
| **ARKANSAS** | | | |
| 1. Alexander (D) | R | W | R |
| 2. Robinson (D) | R | R | R |
| 3. Ham'schmidt (R) | W | W | W |
| 4. Anthony (D) | W | W | W |
| **CALIFORNIA** | | | |
| 1. Bosco (D) | W | R | R |
| 2. Chappie (R) | W | A | A |
| 3. Matsui (D) | R | R | R |
| 4. Fazio (D) | R | R | R |
| 5. Burton (D) | R | R | R |
| 6. Boxer (D) | A | R | R |
| 7. Miller (D) | R | R | R |
| 8. Dellums (D) | R | R | R |
| 9. Stark (D) | R | R | R |
| 10. Edwards (D) | R | R | R |
| 11. Lantos (D) | R | R | R |
| 12. Zschau (R) | W | W | W |
| 13. Mineta (D) | R | R | R |
| 14. Shumway (R) | W | W | W |
| 15. Coelho (D) | R | R | R |
| 16. Panetta (D) | R | R | R |
| 17. Pashayan (R) | W | R | W |
| 18. Lehman (D) | R | R | R |
| 19. Lagomarsino (R) | W | W | W |
| 20. Thomas (R) | W | W | W |
| 21. Fiedler (R) | W | W | W |
| 22. Moorhead (R) | W | W | W |
| 23. Beilenson (D) | R | R | R |
| 24. Waxman (D) | R | R | R |
| 25. Roybal (D) | R | R | R |
| 26. Berman (D) | R | R | R |
| 27. Levine (D) | R | R | R |
| 28. Dixon (D) | A | R | R |
| 29. Hawkins (D) | A | A | A |
| 30. Martinez (D) | R | R | R |
| 31. Dymally (D) | A | A | A |
| 32. Anderson (D) | R | R | R |
| 33. Dreier (R) | W | W | W |
| 34. Torres (D) | R | R | R |
| 35. Lewis (R) | W | W | W |
| 36. Brown (D) | R | A | A |
| 37. McCandless (R) | W | W | W |
| 38. Dornan (R) | W | W | W |
| 39. Dannemeyer (R) | W | W | W |
| 40. Badham (R) | A | W | W |
| 41. Lowery (R) | W | W | W |
| 42. Lungren (R) | W | W | W |
| 43. Packard (R) | W | W | W |
| 44. Bates (D) | R | R | R |
| 45. Hunter (R) | W | W | W |
| **COLORADO** | | | |
| 1. Schroeder (D) | W | R | W |
| 2. Wirth (D) | R | R | R |
| 3. Strang (R) | W | W | W |
| 4. Brown (R) | W | W | W |
| 5. Kramer (R) | W | A | A |
| 6. Schaefer (R) | W | W | W |
| **CONNECTICUT** | | | |
| 1. Kennelly (D) | R | R | R |
| 2. Gejdenson (D) | R | R | R |
| 3. Morrison (D) | R | R | R |
| 4. McKinney (R) | A | A | A |
| 5. Rowland (R) | W | W | W |
| 6. Johnson (R) | W | W | W |
| **DELAWARE** | | | |
| AL Carper (D) | R | R | R |
| **FLORIDA** | | | |
| 1. Hutto (D) | W | W | W |
| 2. Fuqua (D) | W | W | W |
| 3. Bennett (D) | R | R | R |
| 4. Chappell (D) | W | W | W |
| 5. McCollum (R) | W | W | W |
| 6. MacKay (D) | A | W | W |
| 7. Gibbons (D) | W | R | W |
| 8. Young (R) | W | W | W |
| 9. Bilirakis (R) | W | W | W |
| 10. Ireland (R) | W | W | W |
| 11. Nelson (D) | A | A | A |
| 12. Lewis (R) | A | W | W |
| 13. Mack (R) | W | W | W |
| 14. Mica (D) | W | R | W |
| 15. Shaw (R) | W | W | W |
| 16. Smith (D) | R | R | R |
| 17. Lehman (D) | R | R | R |
| 18. Pepper (D) | R | R | R |
| 19. Fascell (D) | R | R | R |
| **GEORGIA** | | | |
| 1. Thomas (D) | W | W | W |
| 2. Hatcher (D) | W | W | W |
| 3. Ray (D) | W | W | W |
| 4. Swindall (R) | W | W | W |
| 5. Fowler (D) | A | W | W |
| 6. Gingrich (R) | W | W | W |
| 7. Darden (D) | W | W | W |
| 8. Rowland (D) | W | W | W |
| 9. Jenkins (D) | W | W | W |
| 10. Barnard (D) | W | W | W |
| **HAWAII** | | | |
| 1. Heftel (D) | R | R | R |
| 2. Akaka (D) | A | R | R |
| **IDAHO** | | | |
| 1. Craig (R) | W | W | W |
| 2. Stallings (D) | R | A | A |
| **ILLINOIS** | | | |
| 1. Hayes (D) | R | R | R |
| 2. Savage (D) | R | R | R |
| 3. Russo (D) | R | R | R |
| 4. O'Brien (R) | W | W | W |
| 5. Lipinski (D) | R | R | R |
| 6. Hyde (R) | W | W | W |
| 7. Collins (D) | R | R | R |
| 8. Rostenkowski (D) | R | R | R |
| 9. Yates (D) | R | R | R |
| 10. Porter (R) | W | W | W |
| 11. Annunzio (D) | R | R | R |
| 12. Crane (R) | W | W | A |
| 13. Fawell (R) | W | W | W |
| 14. Grotberg (R) | W | W | W |
| 15. Madigan (R) | R | R | R |
| 16. Martin (R) | W | W | W |
| 17. Evans (D) | R | R | R |
| 18. Michel (R) | W | W | W |
| 19. Bruce (D) | R | R | R |
| 20. Durbin (D) | R | R | R |
| 21. Price (D) | A | A | A |
| 22. Gray (D) | R | R | R |
| **INDIANA** | | | |
| 1. Visclosky (D) | R | R | R |
| 2. Sharp (D) | R | R | R |
| 3. Hiler (R) | W | W | W |
| 4. Coats (R) | W | W | W |
| 5. Hillis (R) | W | A | A |
| 6. Burton (R) | W | W | W |
| 7. Myers (R) | W | W | W |
| 8. McCloskey (D) | R | R | R |
| 9. Hamilton (D) | R | R | R |
| 10. Jacobs (D) | R | R | R |
| **IOWA** | | | |
| 1. Leach (R) | R | R | R |
| 2. Tauke (R) | W | W | W |
| 3. Evans (R) | W | W | W |
| 4. Smith (D) | R | R | A |
| 5. Lightfoot (R) | W | W | W |
| 6. Bedell (D) | R | R | R |
| **KANSAS** | | | |
| 1. Roberts (R) | W | W | W |
| 2. Slattery (D) | R | R | R |
| 3. Meyers (R) | W | W | W |
| 4. Glickman (D) | R | R | R |
| 5. Whittaker (R) | W | W | W |
| **KENTUCKY** | | | |
| 1. Hubbard (D) | R | A | A |
| 2. Natcher (D) | R | R | R |
| 3. Mazzoli (D) | R | R | R |
| 4. Snyder (R) | W | W | W |
| 5. Rogers (R) | W | W | W |
| 6. Hopkins (R) | W | W | W |
| 7. Perkins (D) | R | R | R |
| **LOUISIANA** | | | |
| 1. Livingston (R) | W | W | W |
| 2. Boggs (D) | R | R | R |
| 3. Tauzin (D) | W | W | W |
| 4. Roemer (D) | W | W | W |
| 5. Huckaby (D) | W | W | W |
| 6. Moore (R) | W | W | W |
| 7. Breaux (D) | W | W | R |
| 8. Long (D) | R | R | R |
| **MAINE** | | | |
| 1. McKernan (R) | W | W | W |
| 2. Snowe (R) | W | W | W |
| **MARYLAND** | | | |
| 1. Dyson (D) | R | R | R |
| 2. Bentley (R) | W | W | W |
| 3. Mikulski (D) | R | R | R |
| 4. Holt (R) | W | W | W |
| 5. Hoyer (D) | R | R | R |
| 6. Byron (D) | W | W | W |
| 7. Mitchell (D) | R | R | R |
| 8. Barnes (D) | R | R | R |
| **MASSACHUSETTS** | | | |
| 1. Conte (R) | R | R | R |
| 2. Boland (D) | R | R | R |
| 3. Early (D) | R | R | R |
| 4. Frank (D) | R | R | R |
| 5. Atkins (D) | R | A | A |
| 6. Mavroules (D) | R | R | R |
| 7. Markey (D) | R | R | R |
| 8. O'Neill (D) | Speaker | | |
| 9. Moakley (D) | R | R | R |
| 10. Studds (D) | R | R | R |
| 11. Donnelly (D) | R | R | R |
| **MICHIGAN** | | | |
| 1. Conyers (D) | A | A | A |
| 2. Pursell (R) | W | W | W |
| 3. Wolpe (D) | R | R | R |
| 4. Siljander (R) | W | W | W |
| 5. Henry (R) | W | W | W |
| 6. Carr (D) | R | A | R |
| 7. Kildee (D) | R | R | R |
| 8. Traxler (D) | R | R | R |
| 9. Vander Jagt (R) | W | W | W |
| 10. Schuette (R) | W | W | W |
| 11. Davis (R) | R | R | R |
| 12. Bonior (D) | R | A | A |
| 13. Crockett (D) | A | R | R |
| 14. Hertel (D) | R | R | R |
| 15. Ford (D) | R | R | R |
| 16. Dingell (D) | R | R | R |
| 17. Levin (D) | R | R | R |
| 18. Broomfield (R) | W | W | W |
| **MINNESOTA** | | | |
| 1. Penny (D) | W | R | R |
| 2. Weber (R) | W | W | W |
| 3. Frenzel (R) | A | W | W |
| 4. Vento (D) | R | R | R |
| 5. Sabo (D) | R | R | R |
| 6. Sikorski (D) | R | R | R |
| 7. Stangeland (R) | W | W | W |
| 8. Oberstar (D) | R | R | R |
| **MISSISSIPPI** | | | |
| 1. Whitten (D) | W | R | R |
| 2. Franklin (R) | W | W | W |
| 3. Montgomery (D) | W | W | W |
| 4. Dowdy (D) | W | W | W |
| 5. Lott (R) | W | W | W |
| **MISSOURI** | | | |
| 1. Clay (D) | R | R | R |
| 2. Young (D) | R | R | R |
| 3. Gephardt (D) | R | R | R |
| 4. Skelton (D) | R | R | R |
| 5. Wheat (D) | R | R | R |
| 6. Coleman (R) | W | W | W |
| 7. Taylor (R) | W | W | W |
| 8. Emerson (R) | W | W | W |
| 9. Volkmer (D) | R | R | R |
| **MONTANA** | | | |
| 1. Williams (D) | R | R | R |
| 2. Marlenee (R) | W | W | W |
| **NEBRASKA** | | | |
| 1. Bereuter (R) | W | W | W |
| 2. Daub (R) | W | W | W |
| 3. Smith (R) | W | W | W |
| **NEVADA** | | | |
| 1. Reid (D) | R | R | R |
| 2. Vucanovich (R) | W | W | W |
| **NEW HAMPSHIRE** | | | |
| 1. Smith (R) | W | W | W |
| 2. Gregg (R) | W | W | W |
| **NEW JERSEY** | | | |
| 1. Florio (D) | R | R | R |
| 2. Hughes (D) | R | R | R |
| 3. Howard (D) | R | R | R |
| 4. Smith (R) | R | R | R |
| 5. Roukema (R) | W | W | W |
| 6. Dwyer (D) | R | R | R |
| 7. Rinaldo (R) | R | R | R |
| 8. Roe (D) | R | R | R |
| 9. Torricelli (D) | R | R | R |
| 10. Rodino (D) | R | R | R |
| 11. Gallo (R) | W | W | W |
| 12. Courter (R) | W | W | W |
| 13. Saxton (R) | W | W | W |
| 14. Guarini (D) | A | R | R |
| **NEW MEXICO** | | | |
| 1. Lujan (R) | W | W | R |
| 2. Skeen (R) | W | W | W |
| 3. Richardson (D) | R | R | R |
| **NEW YORK** | | | |
| 1. Carney (R) | W | W | W |
| 2. Downey (D) | R | R | R |
| 3. Mrazek (D) | R | R | R |
| 4. Lent (R) | W | W | W |
| 5. McGrath (R) | W | W | W |
| 6. Addabbo (D) | A | A | A |
| 7. Ackerman (D) | R | R | R |
| 8. Scheuer (D) | R | R | R |
| 9. Manton (D) | R | R | R |
| 10. Schumer (D) | R | R | R |
| 11. Towns (D) | R | R | R |
| 12. Owens (D) | R | R | R |
| 13. Solarz (D) | R | R | R |
| 14. Molinari (R) | W | W | W |
| 15. Green (R) | W | W | W |
| 16. Rangel (D) | R | R | R |
| 17. Weiss (D) | R | R | R |
| 18. Garcia (D) | R | R | R |
| 19. Biaggi (D) | A | A | A |
| 20. DioGuardi (R) | W | W | W |
| 21. Fish (R) | R | R | R |
| 22. Gilman (R) | R | R | R |
| 23. Stratton (D) | R | R | R |
| 24. Solomon (R) | W | W | W |
| 25. Boehlert (R) | W | R | R |
| 26. Martin (R) | A | W | W |
| 27. Wortley (R) | W | W | W |
| 28. McHugh (D) | R | R | R |
| 29. Horton (R) | R | A | A |
| 30. Eckert (R) | W | W | W |
| 31. Kemp (R) | W | W | W |
| 32. LaFalce (D) | R | R | R |
| 33. Nowak (D) | R | R | R |
| 34. Lundine (D) | R | W | W |
| **NORTH CAROLINA** | | | |
| 1. Jones (D) | W | W | W |
| 2. Valentine (D) | W | W | W |
| 3. Whitley (D) | W | W | W |
| 4. Cobey (R) | W | W | W |
| 5. Neal (D) | W | W | W |
| 6. Coble (R) | W | W | W |
| 7. Rose (D) | W | A | A |
| 8. Hefner (D) | W | W | W |
| 9. McMillan (R) | W | W | W |
| 10. Broyhill (R) | W | W | W |
| 11. Hendon (R) | W | W | W |
| **NORTH DAKOTA** | | | |
| AL Dorgan (D) | R | R | R |
| **OHIO** | | | |
| 1. Luken (D) | R | R | R |
| 2. Gradison (R) | W | W | W |
| 3. Hall (D) | R | R | R |
| 4. Oxley (R) | W | W | W |
| 5. Latta (R) | W | W | W |
| 6. McEwen (R) | W | W | W |
| 7. DeWine (R) | W | W | W |
| 8. Kindness (R) | W | A | W |
| 9. Kaptur (D) | R | R | R |
| 10. Miller (R) | W | W | W |
| 11. Eckart (D) | R | R | R |
| 12. Kasich (R) | W | W | W |
| 13. Pease (D) | R | R | R |
| 14. Seiberling (D) | R | R | R |
| 15. Wylie (R) | W | W | W |
| 16. Regula (R) | W | W | W |
| 17. Traficant (D) | R | R | R |
| 18. Applegate (D) | R | R | R |
| 19. Feighan (D) | R | R | R |
| 20. Oakar (D) | R | R | R |
| 21. Stokes (D) | R | R | R |
| **OKLAHOMA** | | | |
| 1. Jones (D) | W | W | W |
| 2. Synar (D) | W | W | W |
| 3. Watkins (D) | W | W | W |
| 4. McCurdy (D) | W | W | W |
| 5. Edwards (R) | W | W | W |
| 6. English (D) | W | W | W |
| **OREGON** | | | |
| 1. AuCoin (D) | W | W | W |
| 2. Smith, Robert (R) | W | A | A |
| 3. Wyden (D) | W | W | W |
| 4. Weaver (D) | R | R | R |
| 5. Smith, Denny (R) | W | W | W |
| **PENNSYLVANIA** | | | |
| 1. Foglietta (D) | R | R | R |
| 2. Gray (D) | R | R | R |
| 3. Borski (D) | R | R | R |
| 4. Kolter (D) | R | R | R |
| 5. Schulze (R) | W | W | W |
| 6. Yatron (D) | R | R | R |
| 7. Edgar (D) | A | R | R |
| 8. Kostmayer (D) | R | R | R |
| 9. Shuster (R) | W | W | W |
| 10. McDade (R) | R | W | R |
| 11. Kanjorski (D) | R | R | R |
| 12. Murtha (D) | R | R | R |
| 13. Coughlin (R) | R | R | R |
| 14. Coyne (D) | R | R | R |
| 15. Ritter (R) | R | R | R |
| 16. Walker (R) | W | W | W |
| 17. Gekas (R) | W | W | W |
| 18. Walgren (D) | R | R | R |
| 19. Goodling (R) | W | W | W |
| 20. Gaydos (D) | R | R | R |
| 21. Ridge (R) | R | R | R |
| 22. Murphy (D) | R | R | R |
| 23. Clinger (R) | R | R | R |
| **RHODE ISLAND** | | | |
| 1. St Germain (D) | R | R | R |
| 2. Schneider (R) | W | R | R |
| **SOUTH CAROLINA** | | | |
| 1. Hartnett (R) | A | W | W |
| 2. Spence (R) | W | W | W |
| 3. Derrick (D) | W | W | W |
| 4. Campbell (R) | W | W | W |
| 5. Spratt (D) | W | R | W |
| 6. Tallon (D) | W | W | W |
| **SOUTH DAKOTA** | | | |
| AL Daschle (D) | R | A | A |
| **TENNESSEE** | | | |
| 1. Quillen (R) | W | W | W |
| 2. Duncan (R) | W | W | W |
| 3. Lloyd (D) | R | W | R |
| 4. Cooper (D) | W | R | R |
| 5. Boner (D) | R | R | W |
| 6. Gordon (D) | R | R | R |
| 7. Sundquist (R) | W | W | W |
| 8. Jones (D) | W | W | W |
| 9. Ford (D) | R | R | R |
| **TEXAS** | | | |
| 1. Chapman (D) | W | W | W |
| 2. Wilson (D) | R | R | R |
| 3. Bartlett (R) | W | W | W |
| 4. Hall (D) | W | W | W |
| 5. Bryant (D) | R | R | R |
| 6. Barton (R) | W | W | W |
| 7. Archer (R) | W | W | A |
| 8. Fields (R) | W | W | W |
| 9. Brooks (D) | R | R | R |
| 10. Pickle (D) | W | W | W |
| 11. Leath (D) | W | W | W |
| 12. Wright (D) | R | R | R |
| 13. Boulter (R) | W | W | W |
| 14. Sweeney (R) | W | W | W |
| 15. de la Garza (D) | R | R | R |
| 16. Coleman (D) | W | R | R |
| 17. Stenholm (D) | W | W | W |
| 18. Leland (D) | R | R | R |
| 19. Combest (R) | W | W | W |
| 20. Gonzalez (D) | R | R | R |
| 21. Loeffler (R) | W | W | W |
| 22. DeLay (R) | W | W | W |
| 23. Bustamente (D) | R | R | R |
| 24. Frost (D) | R | R | R |
| 25. Andrews (D) | W | W | W |
| 26. Armey (R) | W | W | W |
| 27. Ortiz (D) | A | R | R |
| **UTAH** | | | |
| 1. Hansen (R) | W | W | W |
| 2. Monson (R) | W | W | W |
| 3. Nielson (R) | W | W | W |
| **VERMONT** | | | |
| AL Jeffords (R) | W | R | R |
| **VIRGINIA** | | | |
| 1. Bateman (R) | W | R | W |
| 2. Whitehurst (R) | A | W | W |
| 3. Bliley (R) | W | W | W |
| 4. Sisisky (D) | W | W | W |
| 5. Daniel (D) | A | W | W |
| 6. Olin (D) | W | R | W |
| 7. Slaughter (R) | W | W | W |
| 8. Parris (R) | W | W | W |
| 9. Boucher (D) | W | R | W |
| 10. Wolf (R) | W | W | W |
| **WASHINGTON** | | | |
| 1. Miller (R) | W | R | W |
| 2. Swift (D) | R | R | R |
| 3. Bonker (D) | R | R | R |
| 4. Morrison (R) | W | R | W |
| 5. Foley (D) | R | R | R |
| 6. Dicks (D) | R | R | R |
| 7. Lowry (D) | R | R | R |
| 8. Chandler (R) | W | W | W |
| **WEST VIRGINIA** | | | |
| 1. Mollohan (D) | R | R | R |
| 2. Staggers (D) | R | R | R |
| 3. Wise (D) | R | R | R |
| 4. Rahall (D) | R | R | R |
| **WISCONSIN** | | | |
| 1. Aspin (D) | R | R | R |
| 2. Kastenmeier (D) | R | R | R |
| 3. Gunderson (R) | W | R | R |
| 4. Kleczka (D) | R | R | R |
| 5. Moody (D) | R | R | R |
| 6. Petri (R) | W | R | R |
| 7. Obey (D) | R | R | R |
| 8. Roth (R) | W | W | W |
| 9. Sensenbrenner (R) | W | W | W |
| **WYOMING** | | | |
| AL Cheney (R) | W | W | W |

# *Nationwide campaign reverses surge toward tax on worker benefits*

A campaign that involved tens of thousands of union members in a nationwide grass-roots lobbying effort is largely responsible for the decision of the House Ways & Means Committee to scrap proposals to tax the employment benefits of America's workers.

In a dramatic, last-minute showdown that paved the way for agreement on a tax reform package, the committee majority said no to taxing workers on the value of employer-paid health insurance and other job benefits that unions pioneered but are increasingly common in America's workplaces.

The decision to look to corporate taxes instead of workers' life support benefits didn't just happen.

AFL-CIO President Lane Kirkland sounded the alarm a year ago when the Treasury Dept. came out with its "first draft" of a long-promised tax reform plan. It was touted as cutting taxes for everyone, but the AFL-CIO warned that many workers would be worse off. Lots worse off in some cases.

### Workers penalized

Comprehensive health insurance benefits, group legal services and educational benefits provided by employers would all be taxed as if they were cash wages to workers. State and local taxes would no longer be deductible on federal tax returns, threatening a disastrous cutback of public services. Workers' compensation and black lung benefits would for the first time be counted as taxable income.

The network of union lobbyists that meets at the AFL-CIO headquarters nearly every Monday that Congress is in session canvassed members of the House Ways & Means Committee and a cross-section of House members before the new Congress convened in January.

The reports were not encouraging. It would take more than conventional lobbying to protect the paychecks of workers in the shaping of tax legislation.

As in the labor law reform campaign, which came within a Senate filibuster of success, and as in the successful 1984 campaign to stop the bankruptcy law from being used as a device to break union contracts, the AFL-CIO turned to its state and local federations—and to rank-and-file union members.

The first concentration was in the districts of Ways & Means Committee members. Union members in each of these key districts were mailed a brochure on the issues, postcards to be sent to both senators as well as the House member and one to be returned to the AFL-CIO. A letter signed either by Kirkland or the president of the worker's own union stressed the importance of the issue and urged that the postcards be completed.

"Don't tax or reduce my employee benefits," the postcards urged. "I'd like to know how you stand on this issue. Please let me know."

Meanwhile, union papers across the country highlighted the threat to worker benefits. The AFL-CIO Dept. of Economic Research prepared a Federationist insert in the AFL-CIO News that presented labor's position in full. Inter-union legislative action committees that have been established in a number of congressional districts swung into action. Television and radio spot ads were scheduled in key districts, and polls showing opposition to taxing worker benefits were publicized.

More than a million postcards were distributed, along with some 650,000 brochures, 10,000 posters and 60,000 legislative fact sheets. The Building & Construction Trades Dept. and many individual unions mounted additional massive efforts of their own.

### 100,000 postcards

At least 100,000 postcards were received on Capitol Hill, AFL-CIO Legislative Director Ray Denison reported. State and local central bodies organized multi-union delegations to seek meetings with members of Congress in their home states during the Easter recess.

The final phase began after Labor Day, as the Ways & Means Committee prepared for the tug-of-war between competing interests that would determine the final shape of the tax bill.

Rep. Augustus F. Hawkins (D-Calif.) introduced a resolution expressing "the sense of the House of Representatives that employee benefits not be taxed."

The initial goal was to get 218 members—a majority of the entire House—to sign on as cosponsors. The goal was reached by Oct. 1, and at latest count the number of cosponsors had grown to 279.

But labor's lobbyists aren't sounding the trumpets—yet. The Senate has still to act. The White House is mulling strategy. And the message that came through so loud and clear in the first session of Congress may have to be repeated still louder in the second session when the real showdown on the shape of tax legislation is likely to take place.

## McDermott to step down, CLC president since 1978

Toronto—Canadian Labor Congress President Dennis McDermott, 63, announced he will not seek re-election at the end of his current term.

McDermott, who has served four terms as president, said his decision was based on personal reasons. A successor will be elected at the CLC's next convention, Apr. 28—May 2.

# Stickin' to the union

**A construction worker has the right to put a union sticker on his hardhat during an organizing campaign, the National Labor Relations Board ruled.**

**NLRB Chairman Donald L. Dotson dissented from the ruling by a three-member labor board panel ordering the Malta Construction Co. of Conley, Ga., to reinstate Johnny Lambert with back pay and interest.**

**Lambert was working as a crane operator on a highway construction job during an organizing campaign by Local 926 of the Operating Engineers. He was fired when he refused to remove two union stickers from his company-issued hardhat.**

**A NLRB administrative law judge ordered the reinstatement of another worker who was also fired for union activity, but said management had the right to punish Lambert for "defacing" company property.**

**That was OK with Dotson, who said Lambert could have chosen to wear a union T-shirt as an alternative means of expressing his union support. But NLRB members Patricia Diaz Dennis and Wilford W. Johansen said any work rule curtailing the right to wear a union insignia is invalid unless based on legitimate production or safety reasons.**

# Bill to continue OPIC sent to House-Senate conference

The Senate responded in part to labor concerns about the job-destroying potential of the Overseas Private Investment Corp. It voted to trim a House-passed, four-year extension of OPIC to 18 months and to make other changes in the controversial program.

OPIC provides federal insurance of private-sector investments in what the law terms "less developed friendly countries." The law authorizing the program expired at the end of September, and the AFL-CIO opposed its reauthorization.

OPIC's encouragement of investments in goods-producing industries in countries such as Taiwan and South Korea has taken jobs away from American workers, AFL-CIO Legislative Director Ray Denison wrote senators. He noted that the U.S. merchandise trade deficit has tripled since 1981, when OPIC was last reauthorized.

Both the House and Senate bills include new language that allows insurance of investments only in nations that are taking steps to implement "internationally recognized worker rights."

The Senate bill also directs the Comptroller General to study the impact of OPIC on U.S. employment and report to Congress within one year.

Both the study and the shortened reauthorization period were added to the bill in amendments by Sen. Howard M. Metzenbaum (D-Ohio).

Metzenbaum told the Senate that 40 percent of OPIC-insured projects represented investments in overseas manufacturing industries. The countries that were the chief beneficiaries, he said, are most heavily in competition with U.S. domestic production.

Both the amendment and bill were approved by voice vote, setting the stage for a House-Senate conference to resolve the differences.

# Airline deregulation scored as excuse to undercut unions

Airline unions charged at Senate hearings that the Dept. of Transportation is using deregulation as a pretext to abandon a 30-year-old policy of requiring job and pay safeguards for workers adversely affected by mergers and route takeovers.

According to the Reagan Administration, the only justification for the labor protective provisions in the past was concern that a strike would hurt the public by eliminating air service along an important route.

Now that deregulation allows other airlines to move in and fill the gap, Assistant Transportation Sec. Matthew V. Scocozza told the Subcommittee on Aviation, there is no need for the government to intervene.

The only public interest concern that would justify imposition of worker protections, he testified, would be the threat of a nationwide disruption of air service. A strike against one airline no longer has "ominous implications," Scocozza said.

The department's position is based on a "gross distortion of history," Air Line Pilots President Henry A. Duffy retorted.

Duffy's testimony cited repeated instances—from the early 1950s through the 1970s—when the former Civil Aeronautics Board had specifically expressed the desire to prevent hardship to employees as a reason to require labor protections in an airline consolidation. It required carriers to provide displacement and dislocation allowances to workers whose jobs have been eliminated, downgraded or moved to other locations. And it required provisions for an equitable merging of seniority lists.

While the CAB's functions have been taken over by the Dept. of Transportation, the obligation is unchanged, the union insisted.

Under the Administration reasoning, Duffy noted, the only way unions could be assured of worker protections would be to threaten to strike all the nation's airlines.

Congress intended employee safeguards "as a matter of fairness and equity," he suggested, "not as a bribe against strikes."

The point was emphasized also in joint testimony by the Railway & Airline Clerks, the Flight Engineers and the Machinists.

The unions, in testimony presented by attorney John O. Clarke, Jr., urged Congress to make the commitment to worker protections mandatory rather than subject to interpretation by the Transportation Dept.

"Employees are the innocent victims" of the effects of deregulation, the three unions stressed. Contrary to the intent, the deregulation law "has proved to be the most effective anti-labor legislation" of the modern era, they testified.

# House panel bars taxing of benefits

**Continued from Page 1**

job of closing tax loopholes used by profitable corporations and wealthy individuals.

In view of President Reagan's declared intention to veto any form of "tax increase," and aware of the election-year pressures on Congress, the committee abided by the Administration's insistance that any tax changes to be "revenue-neutral."

The Administration had sought to reduce the present 14 tax brackets to three, with a top rate of 35 percent. That would have given 25 percent of the total tax reduction to the one-half of 1 percent of the population with incomes over $200,000.

The committee bill lessened the tilt by adding a fourth bracket of 38 percent for taxable incomes above $100,000 on joint returns. The personal exemption would be raised from $1,080 to $2,000 for each taxpayer and dependent.

The standard deduction also would be raised for all taxpayers not choosing to itemize deductions, from $3,670 to $4,800 on a joint return. Non-itemizers would also be allowed a further deduction for charitable contributions over $100.

To further discourage itemization, taxpayers could only itemize deductions that exceed $500 for each person covered by the return. Thus a family of four could itemize only deductions exceeding $2,000 if it didn't take the standard deduction.

Corporate tax rates would be reduced, to the benefit of companies that have paid their taxes in full. But total corporation taxes would rise through the partial closing of tax-avoidance loopholes. The maximum corporate tax rate, now 46 percent, would drop to 36 percent under the committee bill. The Administration proposal would have dropped it to 33 percent.

### Low-income exclusion

The threshold on income subject to taxation would be raised, eliminating some 6 million low-income persons from the tax rolls, But two-income households would lose the second-earner deduction, which was one of the few anti-worker features proposed by the Administration to win committee approval.

A plus in terms of labor's position was a 25 percent minimum tax for individuals and corporations. It would apply to income over $30,000 for single taxpayers and over $40,000 for couples that would not otherwise be taxed.

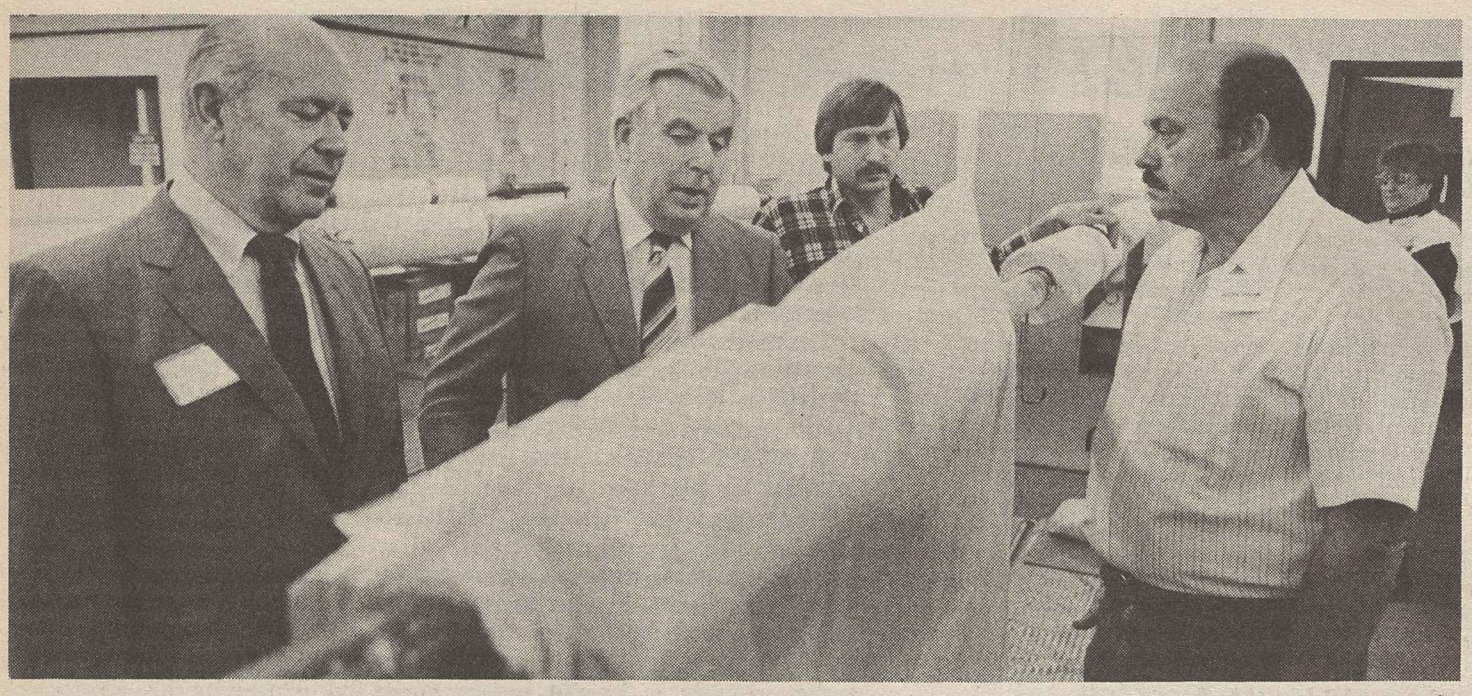
Home mortgage interest would remain deductible, but not on more than two homes. Among many other proposed changes would be a $7,000 ceiling on tax-deferred contributions to an employer-established 401(k) savings plan, and an end to the income-averaging option.

The Reagan Administration proposal and many of the alternative "tax reform" bills that had been introduced in Congress would have made workers pay taxes on the value of a wide range of employer-provided benefits, from health insurance to child care and legal services.

Rep. Charles B. Rangel (D-N.Y.) disposed of the threat with a motion to exclude from the legislation any taxation of employee benefits. All 23 Democrats and three of the 13 committee Republicans supported the motion.

But the committee did go along with the Administration proposals to make all unemployment compensation subject to tax and limiting the deductibility of employment-related expenses such as union dues.

The committee bill is expected to be brought to the House floor under a rule that bars amendments but allows a vote on a Republican substitute.



Asbestos removal techniques are explained by instructor Marv Hahn, right, to UAW Vice President Donald Ephlin and GM Vice President Alfred S. Warren, Jr., left, during dedication of new health and safety training center.

# UAW, GM open contract-funded job safety center

Madison Heights, Mich.—The Auto Workers and the General Motors Corp. jointly dedicated a unique health and safety training center here.

Located in a 16,500-square-foot former manufacturing plant, the center was established under the terms of the union's 1984 GM contract to "provide meaningful and consistent health and safety training." Under the agreement, GM puts 4 cents an hour per member into the joint health and safety fund to pay for the program.

Although joint health and safety training has been available to a lesser degree at all GM plants, "we believe development time and costs are best spent when course design and development is performed at one location and administered consistently at all GM plant locations," said UAW Vice President Donald F. Ephlin and GM Vice President Alfred S. Warren, Jr., in a joint statement.

"We are not aware of any other program that prepares plant health and safety trainers to deliver such a comprehensive classroom and hands-on training program," they said.

## Training given

Training is given to appropriate management and union health and safety representatives. Graduates of the program return to their plants and work with local health and safety committees in developing a training plan based on the specific needs of the local workforce, preparing classroom and laboratory training, scheduling trainees and conducting the training.

About 400 GM employees already have taken some training programs. Courses currently being given include protecting workers during asbestos removal, safe operation of various manlift equipment, protective measures for entering confined spaces, and procedures for making plant equipment inoperative prior to performing repairs or maintenance.

Other planned courses include hazard communication, electrical safety, fall protection, robot safety, and mobile cranes.

# *Solidarity in 8-week strike brings IUE gains at Sperry*

Great Neck, N.Y.—Nearly eight weeks on the picket line and a strong demonstration of union solidarity netted a major victory for members of the Electronic Workers at Sperry Rand Corp. here.

The IUE reached a three-year settlement with Sperry providing yearly wage increases and other improvements for 3,300 workers—members of IUE Locals 444, 445, 450 and 470.

Coordinated bargaining and "100 percent membership support" were the keys to success, said Bob Kennedy, chief negotiator for three of the four IUE locals.

"In spite of all the company propaganda, the people believed in their union and stood behind it," Kennedy declared. "The company attempt to weaken the union completely backfired. We're in a stronger position today than we have been in years."

Local 444, representing plant engineers, bargained separately, but coordinated their efforts with other IUE locals. Local 444 President Henry Zylla called the team effort "fantastically successful."

"All told, we faced 36 company giveback demands; it really was a serious attempt to break the union," he said.

"But the company got virtually none of its concessions and we managed to hang on and come out quite well," Zylla told reporters.

The Sperry workers won 5 percent yearly wage increases, plus improvements in pension benefits, life insurance, medical benefits and dental care.

The wage hike will raise the average hourly wage for production workers to $15 an hour, and will give engineers an average annual salary of $30,000 to $74,000 by the last year of the contract.

Under a new stock option plan, workers will receive stock worth one-half of one percent of their annual earnings. Sperry also agreed to double the value of workers' life insurance protection.

While the company sought major concessions in health coverage and an end to the union's right to file grievances over benefits disputes, the IUE succeeded in maintaining the existing medical coverage, increasing accident and sick pay and expanding dental coverage.

A new child care leave program was established, giving both men and women workers up to six months' unpaid leave, starting at the birth or adoption of a baby. This supplements the existing pregnancy disability leave.

Sperry Rand workers voted overwhelmingly in favor of the pact, the IUE said.

# Old-age funds siphoned off, suit charges

Senior citizen groups are suing Treasury Sec. James A. Baker on charges of siphoning off social security funds to carry the federal government through its current fiscal crisis.

The lawsuit was filed in federal district court in Washington by the 40-million-member Save Our Security coalition, the National Council of Senior Citizens and other organizations representing elderly persons.

The action came in the wake of disclosures that large amounts of monthly payroll contributions were not transferred into social security trust funds as required by law, and that assets of the funds were liquidated to keep the government operating while Congress wrestles with debt-limit legislation.

The AFL-CIO said the court action was "essential" to halt "the Administration's juggling of social security funds" that are supposed to be used only to pay benefits and to cover administrative expenses of the program.

"If the government continues to misuse these funds," Social Security Dept. Director Bert Seidman warned, "beneficiaries will lose confidence in this system which is designed to protect the elderly, the disabled, their families, and surviving spouses and dependent children."

In instituting the suit, SOS charged that Baker's actions will result in the "permanent loss to the trust funds" of up to $2 billion in interest revenues over the next five years.

William R. Hutton, NCSC executive director, also charged that social security's public trustees "were not informed" of Baker's action. He called for legislation requiring advance notification to the board before changes are made in either fund-transfer procedures or investment policy.

## Beulah Carter moves to COPE headquarters

Beulah Carter has joined the COPE headquarters staff after serving as western region director of Volunteers in Politics for the past year. Carter, 49, will oversee COPE's direct mail and polling activities.

Earlier, she had been an AFL-CIO field representative and also worked with a number of federation affiliates.

# Workers worse off as real earnings plunge

Continued from Page 1

29.7 percent drop and General Motors weighed in with a 27.3 percent decline.

Industry analysts said the gloomy sales figures were evidence that the industry is experiencing a "pattern of weakness" fostered by growing consumer reluctance to take on the burden of monthly car payments in a period of economic insecurity.

There were these other developments:

• Initial unemployment compensation claims took a large upward leap in the first week of November, rising to 392,000 from the previous week's 370,000. The Labor Dept. said that only 2.5 million of the 8.3 million people officially listed as unemployed are drawing jobless benefits.

• Americans sharply curtailed their spending in October. The nine-tenths of 1 percent drop from the previous month was the largest one-month decline in a quarter of a century.

• Machine tool orders—a measure of how the industrial sector of the economy is faring—jumped 33 percent in October from September, according to the National Machine Tool Builders' Association. But there was little measure of comfort in the statistic, since orders are still 18.4 percent below the same level of a year ago.

• Orders to U.S. factories for durable goods slumped 2.1 percent in October, the third decline in the last four months and the largest drop since July.

The demand for manufactured goods has been sluggish all year, economists noted. Orders placed thus far in 1985 are up only 3.4 percent—a far cry from last year's 14.8 percent increase.

Analysts expressed particular concern about last month's 7.4 percent drop in orders for non-military capital goods, since this category of orders is regarded as a key indicator of industry's intentions to expand and modernize plants.

# U.S. firms hit for union-busting in Philippines

Evanston, Ill.—Labor and religious leaders accused two American-based multinational corporations of attempting to "weaken and destroy" unions at their plants in the Philippines.

The charges were leveled by the International Union of Food & Allied Associations (IUF), a secretariat embracing 214 member unions in 65 countries, and came as stockholders of Baxter Travenol, Inc. and American Hospital Supply Corp. were meeting here and in nearby Deerfield to approve a corporate merger effective in 1986.

Immediately following ratification of the agreement, Vernon D. Loucks, president and chief executive officer of the merged company, disclosed plans to slash the workforce by 6,500 over the next four years—mainly in the United States.

Most of the job loss will occur in the next 12 months, Loucks said, implying that the cutback would primarily affect domestic operations. The "consolidation" was needed, he said, to insure expansion of overseas markets.

The lengthy conflicts at the Manila plant of AHS, which markets vitamins, and at Baxter Travenol's Philippine facility which manufactures an intravenous dextrose solution, stretch back 18 months. They have been marked by mass firings of union officials and police violence against pickets.

## Workers' choice

The IUF criticism was voiced by Joy Ann Grune, regional secretary of the secretariat's North American Regional Organization (NARO). "These multinational companies are reaching from Chicago into the Philippines to weaken and destroy the organizations that workers chose to build," Grune said.

Noting that the two companies "justify their merger by arguing that larger scale global operations mean greater cost efficiency," Grune expressed concern over "how many more working women and men in how many more countries will suffer" because of the companies' anti-labor policies.

The worsening situation in the Philippines brought a blunt warning from Rene Rondou, secretary-treasurer of the Bakery, Confectionery & Tobacco Workers, who heads both the IUF and NARO.

"Unless the newly merged Baxter Travenol/AHS company takes positive action to meet demands of workers at the Philippine plants," Rondou said, "IUF with 214 member unions around the world is prepared to take this issue to other countries and new arenas to build international support."

The IUF called on the companies to hire back all fired workers, to negotiate in good faith with the union, and to come to agreement on a new contract. Management officials, who previously rejected similar appeals from the secretariat, agreed to meet with IUF representatives in December.

The AHS strike began 18 months ago when, just prior to negotiations, management fired 46 workers—half of them officers and members of the Drug & Food Workers Alliance of the Philippines (DFA). On four occasions in 1985, heavily armed police used violence to disperse pickets.

Although AHS claimed that economic difficulties led to the firing, it has posted continuously rising profits since 1980. A union appeal of a finding by the Philippine National Labor Relations Commission that the strike was illegal is still pending.

## Reinstatement ordered

The dispute at Baxter Travenol also reaches back to 1984, when the company fired 78 of its 320 workers—almost all of them DFA officers—and refused to recognize the union. After the Philippine Supreme Court ordered the company to reinstate the workers and to stop targeting unionists for termination, Baxter Travenol closed its plant.

Joining with labor in protesting the company's anti-union policies were representatives of the Sisters of Charity and an interfaith group known as Synapses.

# CLUW spurs contract clauses on child day care

By Candice Johnson

A new study by the Coalition of Labor Union Women gives some needed advice to working parents seeking quality child care and encourages unions to negotiate better "family-related" contract provisions.

"Bargaining for Child Care" is the product of an 18-month study by CLUW on the state of child care in the United States. It reviewed the options now available to working parents, offering model contract language on pregnancy and sick leave, alternative work scheduling and other child care benefits for union parents to adapt to their individual workplaces. It also summarized existing provisions in contracts negotiated by a number of unions in the United States and Canada.

## Facilities needed

In releasing the report, CLUW President Joyce Miller stressed the growing need for quality child care facilities in the United States, noting that "the traditional family of a working father with a stay-at-home wife who cares for 2.3 children is no longer an accurate picture of the workforce."

"A growing number of families are maintained by single parents, most of whom are women, or two-wage earners," she continued, who "represent the majority of families today."

The report noted that working parents need the assurance of continued employment and financial security most after the birth of child, but "nothing could be further from reality" for most workers. Acknowledging the many changes in federal law since the Pregnancy Discrimination Act was passed in 1978, the report maintains "it is less likely in 1985 than it was in 1975 that a woman worker will be able to take time off during a 'normal' pregnancy without losing her job. A worker cannot be sure that a job will be waiting if he or she chooses to spend the first months or years staying home with a new child."

As a first step, CLUW recommended setting up a labor-management committee, where interested union and management members can meet to assess employees' child care needs.

With "a little imagination and effort," the committee can modify contract clauses covering overtime, sick leave and absence to accomodate the needs of workers with children or other dependents, like aging parents, who require care, the study pointed out. Unions also should protect their members from possible employer bias by including a clause that clearly prohibits discrimination based on parenthood, the report stressed.

CLUW suggested that the committee survey the workforce to determine the ages of children who would need care, the hours child care is most needed and current arrangements of employees. The committee also should review the availability of child care in the area, and make that information available to workers.

## Possible solutions

The report also covered possible solutions to the classic problem of work schedules that severely limit the time working parents can spend with their children.

The study reviewed the advantages and disadvantages of part-time work, job-sharing and flexible work schedules, including "flextime."

CLUW pointed out that in 1984, only 10 percent of children whose parents worked received care from licensed programs, because child care services are not expanding to meet the rapidly increasing demand. "The remainder make do as latchkey children or in inadequate facilities with untrained caregivers."

Noting the decline in government support for child care programs, especially for lower-income parents, the report listed options for employers and unions to help meet the needs of working parents.

These include:

- Subsidies to defray some of all the cost of child care.
- Purchase of slots for workers in existing child care centers.
- Development and/or operation of child care centers.
- Vacation, holiday or summer camp programs for school-age children.
- Provision of information to parents about child care services.

CLUW urged that the labor-management committees consider union retirees when developing a quality child care program. The report suggested that retired members could provide:

- "Drop-in" services at the workplace for short-term care of unattended or ill children.
- Emergency care at workers' homes.
- Information and referrals.
- Infant care.

# Kirkland calls joblessness grim challenge for America

Minneapolis—Chronic high unemployment tops the list of difficulties plaguing the labor movement, and it is a problem from which no American is immune, AFL-CIO President Lane Kirkland stressed.

Delivering the annual Carlson lecture at the Hubert H. Humphrey Institute of Public Affairs, Kirkland said that while unions feel the effects of joblessness most acutely, the problems they create touch the lives of all citizens.

"Ask the shopkeepers what happens when the steel mills close," he said.

"Ask the realtors what happens when the assembly lines shut down—ask them how many homes they sell to people earning the minimum wage flipping hamburgers in fast-food franchises.

"Ask those who earn their living from high-technology where they will sell their mainframes or their robots or their lasers when their biggest customers—our basic industries—are forced to shut down."

## Labor's concern

Speaking before an audience of more than 3,000 on the subject of Unions and the American Future, Kirkland said that joblessness is a particular challenge to the labor movement.

"A reserve army of the unemployed makes it difficult for unions to organize and bargain—it always has," he declared. "And it makes it tempting for employers to indulge their fantasies of getting rid of a union."

Kirkland recalled that robber baron Jay Gould once claimed he could "hire half the working class to kill the other half. Some employers apparently still believe that—and they see heavy unemployment as the ideal condition for testing the theory."

Chronic unemployment, Kirkland said, is evidence of such forces at work in the economy as the shift of jobs from manufacturing to the service industry, the "irreversible result of technological change," and the unchecked flood of foreign imports.

But, Kirkland warned, "anyone who thinks he or she is immune from these changes is living an illusion."

Most of the 2 million manufacturing jobs lost in the past few years, he said, "have turned up in foreign countries," adding:

"A great many of those lost jobs belonged to union members. They all belonged to Americans."

The "steady erosion" of America's industrial base "is depriving millions of young American workers of the stable, well-paying jobs that maintain our standard of living, and offer admission to the working middle class," Kirkland continued. "Trapped in low-paying service jobs, they see the American dream fading fast.

"For the first time, we have a young generation of Americans who do not expect to do as well as their parents. Their opportunities are shrinking, and so are their hopes."

Although these trends "appear to bode ill for the labor movement's future," Kirkland said, a closer examination of what has happened to American unions gives a different picture.

There are fewer steel and auto workers in labor's ranks, because of the shrinkage of their industries, but unions have 11 times as many teachers, 10 times as many public employees, four times as many pilots, three and a half times as many service employees, three times as many actors and artists, and more than twice as many postal workers, firefighters and communications workers as they did three decades ago.

## Changing membership

"More than 40 percent of our members today work in white-collar and technical jobs," Kirkland said. "Another 23 percent are craftsmen and supervisors. Less than 40 percent of our members work in blue-collar jobs."

AFL-CIO unions have "a higher proportion of members with college degrees than the population at large," he pointed out.

"That should tell you that trade unionism has not lost any of its appeal. It should also tell you that trade unionism does have a future.

"And it should give those who delight in labor's troubles some cause for worry, because, as the composition of our membership shows, we are nothing more—and nothing less—than the American middle class."

The trade union movement "has a future and will always have a future," Kirkland declared, "because at its core it stands for fundamental American values."




Kirkland delivers Humphrey lecture at the University of Minnesota.

# Trade impact aid faces Senate test

The Trade Adjustment Assistance program, which aids workers whose jobs have been wiped out by the glut of foreign imports, has been given a temporary extension under a stop-gap government funding bill.

The program, scheduled to expire Nov. 15, was extended until Dec. 12 under a continuing resolution that keeps the government operating until separate appropriations bills can be passed.

Labor has advocated long-term extension of TAA and has called for improvements in benefits and training programs to help workers find new jobs.

The Reagan Administration has adamantly opposed trade assistance, preferring to concentrate its attention on the Job Training Partnership Act, which does not recognize the impact of unbridled imports on workers.

The House has already passed a four-year extension of TAA, and a six-year program, to be financed by levying import fees on goods and services entering the U.S. market, is pending in the Senate.

An attempt by Sen. Philip Gramm (R-Tex.) to strip TAA from the budget reconciliation bill was defeated by voice vote after Senators Daniel Moynihan (D-N.Y.) and William Roth (R-Del.) argued that the crushing trade deficit underscored the urgent need to continue the adjustment program.

# Labor-management accord key to building Saturn plant

Spring Hill, Tenn.—Construction of General Motors Corp.'s small-car Saturn complex here will be carried out under a innovative agreement keyed to a high level of labor-management cooperation.

Fifteen unions affiliated with the AFL-CIO Building & Construction Trades Dept. and the unaffiliated Teamsters negotiated the agreement with Morrison-Knudsen Co., Inc., the contractor who will manage the three-year, $3.5-billion project.

The "adversarial relationship" between labor and management "must end and be replaced by cooperation and mutual respect and understanding," both sides agreed in the preamble to the precedent-setting agreement.

It covers all terms and conditions for the project with the exception of hourly wage rates and fringe benefits, which will be based on current local union contracts.

Future wage and benefit adjustments will be determined by a Project Review Committee composed of BCTD and Morrison-Knudsen representatives. Their guidelines will be the average wage and fringe benefit adjustment calculations of the Construction Labor Research Council's Southeastern States Survey.

The agreement establishes a joint union-management board to deal with workers' grievances. Any matter that cannot be settled by that panel will go to a special Board of Arbitration, made up of two union and two management representatives and a fifth member acceptable to both sides. The board's binding decision must be reached within 10 working days.

Union jurisdictional disputes must be resolved without causing a strike, work stoppage or slowdown, the compact said. In addition to banning job actions, the agreement also will prohibit lockouts.

General Motors created the Saturn operation last January to produce a line of small cars to compete with foreign imports. The plant will employ an estimated 6,000 workers who will be covered under an Auto Workers contract signed last July.

Construction is expected to begin in 1986 after plans are cleared by state, local and utility officials. The number of construction workers needed for the project has not yet been determined.

# Navy flagged on shifting cargo to foreign fleet

A federal district court has rapped the Navy for attempting to shift military cargoes to foreign-flag ships.

Federal Judge Harold H. Greene ruled that the Military Sealift Command violated the Cargo Preference Act of 1904 when it tried to take shipments away from Rainbow Navigation, Inc., a small American carrier, and turn the work over to fleets from other nations.

The Masters, Mates & Pilots, an affiliate of the Longshoremen whose members crew the company's ships, hailed the decision as "clearly reaffirming the sanctity and importance of cargo preference to the maritime industry."

Capt. Robert J. Lowen, MMP president, said that the court's action "put the government on notice that the act must be fully enforced and fully complied with."



Newsday's Molly Gordy—one of the reporters taking part in DPE panel discussion on labor's relationship with the media.

## DPE conference

# Professional unions reach out to members

New York—Unions have a message for today's workers but they have to do a better job of getting it across, participants in a leadership conference sponsored by the AFL-CIO Dept. for Professional Employees stressed.

The two-day program, Communicating with Professional, Technical and White-Collar Employees, involved staff members and officers from 23 unions. It explored the special problems of "reaching out and touching" members and potential members in today's workforce.

DPE Director Jack Golodner noted in his opening remarks that professional occupations are the fastest-growing segment of the workforce and the rate of union organizing is higher there than for the workforce as a whole.

The AFL-CIO report, The Changing Situation of Workers and Their Unions, was a focus of the conference discussions. Guest speakers and panelists dealt with aspects of the problem of developing a more positive image of unions among the public at large and especially among those in fields being organized.

Professional employees who accept the value of a union in improving salaries and working conditions may nevertheless be concerned about what they perceive as a loss of status, DPE President Albert Shanker said.

### Professional concerns

Shanker, who is also president of the Teachers, urged that unions address the professional as well as the economic concerns of their members.

Leading consultants and practitioners in communications and public relations discussed the techniques of reaching and influencing people, including identification of the audience for which the message is intended.

But "style cannot replace substance, nor the medium replace the message," panelist Diane Curry, publications director of the Railway & Airline Clerks, stressed.

Other union staff experts taking part in conference panels were Bob Kalaski, Machinists; Phil Sparks, State, County & Municipal Employees; Scott Widmeyer, Teachers; Gloria Johnson, Electronic Workers; Conrad Fowkes, Actors' Equity and Screen Actors; Rozanne Weissman, Communications Workers; Eloise Payne, Labor Institute of Public Affairs; Susan Glass, N.Y. Teachers; Susan M. Dooha, Graphic Artists Guild, and Katherine Shrier, AFSCME Council 37.

In conference sessions, the use of television to commuicate labor's message was discussed and debated. There was no disagreement as to the medium's powerful impact, but participants expressed concern at the substantial cost involved and suggested imagination and creativity in the use of less costly alternatives.

### Legitimate news

At the same time, there was emphasis on developing legitimate news that shows unions in a favorable light and presenting it so as to get the best possible coverage in all news media, including television.

Internal communications was another key topic, with discussion of new technologies such as videotapes as well as direct, one-on-one contacts. Membership surveys and polls were stressed as tools of communication.

James J. Kennedy, Jr., executive assistant to AFL-CIO Sec.-Treas. Thomas R. Donahue, spoke of the value of getting members involved in their unions and in union programs. Better communication with the public starts with better communication within labor's ranks, he stressed.

Kennedy complimented the DPE for setting up the conference, saying he had been "educated, informed, disturbed and stimulated" by the discussions.

While unions are aware that the news media are often biased against labor's viewpoint, Kennedy said, doing a better job of presenting labor's story can lessen the tilt.

The union participants also heard the other side of the news picture from speakers and panelists including Tom Pettit, NBC News national affairs correspondent; Irv Chapman, longtime ABC News correspondent; William Serrin, New York Times labor reporter, and Molly Gordy, a reporter for Newsday.

Author and former ILGWU editor Leon Stein addressed the group, as did communications consultants and practitioners including Dick Moore, the DPE's public relations consultant; Adele Greene, James Margolis, Paula Green and Beverly Hyman. DPE Associate Director Dennis Chamot moderated several of the panels.

# Funds to spur political action approved in Rhode Island

Providence, R.I.—The Rhode Island AFL-CIO voted to increase funds for an expanded political action program at its 14th convention.

The 400 delegates raised the monthly per capita fee from 30 cents to 35 cents, effective Nov. 1, 1985, and to 40 cents on Nov. 1, 1986. The monthly COPE allocation from the per capita fund also was increased from 3 cents to 4 cents effective Nov. 1, 1985, and will go to 5 cents a year later.

The convention reviewed the state legislature's 1985 record and set a legislative agenda for the coming year.

In a series of workshops, delegates discussed the AFL-CIO's "Changing Situation" report. Other sessions covered health care cost containment, Rhode Island's upcoming constitutional convention and labor's community service programs.

Delegates gave a standing ovation to members of the Pawtucket Teachers and their president, Mary Ann Kaveny, for the courage and solidarity the teachers displayed during their union's 13-day strike in September. Fifty-three union members were jailed, with fines of $500 a day levied against individual teachers and $10,000 a day against the union until the agreement was ratified. The Pawtucket AFT won pay raises totaling 19.5 percent over three years.

The convention pledged its support for the Teachers' fund-raising efforts to pay the court fines totaling $76,000.

In other resolutions, the delegates urged passage of a $20-million state bond issue to remove asbestos from schools and public buildings and endorsed the nationwide Coors beer boycott.

### McElroy re-elected

President Edward J. McElroy was re-elected to his fourth two-year term. James F. Kiley was elected to his first term as secretary-treasurer, replacing Edwin C. Brown who retired last December. Delegates also elected 65 executive board members.

Gov. Edward Diprete (R) pledged to step up the state's job training and retraining programs. He praised the state federation's efforts noting that "labor's battles have been fought for fairness and justice for all our citizens."

Delegates also heard from AFL-CIO Regional Director John F. O'Malley, Massachusetts AFL-CIO President Arthur Osborne and AFL-CIO Field Rep. David Sickler, coordinator of the Coors boycott.

# Southern drive nets steady gains for IUD affiliates

Continued from Page 1

"They feel employers have been taking advantage of them by holding down wage increases, or denying them entirely, for the past several years," he said. "They're fed up with it and they want to do something about it."

According to IUD President Howard D. Samuel, 1985 has been "the best year in the 1980s" for organizing, largely because workers now have less fear of unemployment and of reprisal for union activities.

The IUD and its affiliates have concentrated their organizing efforts in the south, Samuel said, because that's where the greatest need exists to reach out to the unorganized.

This year, 37 organizers drawn from 22 unions have taken part in the coordinated organizing efforts, working out of regional offices in Atlanta, Charlotte, N.C., Madison, Ala., and Tupelo and Jackson, Miss.

The IUD also hired interns from union staffs to work for the department for two years, McIver said, with unions looking on the department as a valuable training ground for organizers.

# *Maine convention presses organizing, affiliation goals*

Rockport, Me.—The Maine AFL-CIO convention forged a plan to step up organizing efforts and strengthen the state's labor movement.

To accomplish those goals, the 150 delegates called for the formation of a special committee to promote and increase local union affiliation with the state federation.

The affiliation action parallels a resolution adopted by the AFL-CIO convention in October, which stressed the importance of local union affiliation with state and local central bodies, and developed an action plan to increase participation.

The convention urged local unions to make "organizing the unorganized their number one priority," and adopted a six-point program to encourage such efforts. Included were recommendations that rank-and-file members play an active role in organizing campaigns and that unions take advantage of new technology and techniques.

Sec.-Treas. Edward Gorham was re-elected to his third four-year term and delegates elected four new members to the state federation's 15-member executive board. They are: Kent Chiavelli, Machinists; John Portela, Marine & Shipbuilding Workers; William Mezerve, Paperworkers, and Joseph Nixon, Electrical Workers. The terms of President Charles O'Leary and Vice President Gwendolyn Gatcomb expire in 1987.

Delegates adopted 48 resolutions, including a call for full collective bargaining rights for state employees and legislation requiring safe workplaces for workers using video display terminals.

# Schedule of Labor Studies Center courses

The George Meany Center for Labor Studies will offer nine labor studies institutes, workshops and programs during December and January. The schedule:

**New Staff,** Dec. 1-13—A two-week orientation to help new union officers and staff make the transition from on-the-job activists to full-time representatives.

**New Developments in Collective Bargaining,** Dec. 8-10—A two-day briefing cosponsored by the AFL-CIO Dept. of Economic Research to discuss important developments and trends in recent settlements.

**Representation Procedure before the NLRB,** Dec. 9-13—An institute on basic Labor Board rules and decisions on jurisdiction, appropriate units and elections. Participants will handle a simulated election hearing including preparation, and direct and cross examination.

**Television: The Cool Medium,** Dec. 15-18—A three-day workshop to coach union officers on facing TV cameras and working with TV reporters.

**Organizing in the Construction Industry,** Dec. 15-20—An institute cosponsored by the Building & Construction Trades Dept. to upgrade techniques of "salting" jobs, leafleting and picketing campaigns, unfair labor practice strikes and "bottom-up" recruiting programs.

**Advanced Arbitration Techniques,** Dec. 15-20—Advanced training on handling grievance arbitration cases, focusing on examination and cross examination of witnesses, preparation of briefs and researching issues.

**Pension Trustee Training for Public Sector Unions,** Jan. 5-9—A four-day institute cosponsored by the Public Employee Dept. exploring the structure and operation of public agency pension plans.

**The Craft of Negotiating,** Jan. 12-17—A study of negotiating tactics to avoid bargaining impasses, improving grievance resolution and everyday administration and leadership situations.

**Teaching Techniques in Labor Education,** Jan. 19-24—An institute cosponsored by the Dept. of Education to upgrade the teaching skills of union staff.

An institute on Arbitration Techniques: Prepartion & Presentation will be presented at the University of Oregon, Eugene, Jan. 26-31.

Six AFL-CIO affiliates will use the center's facilities for conferences or staff training during December: State County & Municipal Employees, Dec. 1-6; Government Employees, Dec. 1-6; Professional & Technical Engineers, Dec. 1-6; Public Employees Dept., Dec. 11-13; Metropolitan Washington Council, Dec. 16-17, and Food & Allied Services Trade Dept., Dec. 19.

The American Institute for Free Labor Development will bring its country directors to the campus for their annual staff conference, Dec. 13-20.

More information about these or other labor studies is available from Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md., 20903 - 301/431-6400.

## Homer Cole steps down as BCT vice president

Homer Cole, a vice president of the Bakery, Confectionery & Tobacco Workers and former secretary-treasurer of the Tobacco Workers, retired Nov. 1.

Cole, 57, served as a Tobacco Workers representative from 1956 to 1968 when he was elected secretary-treasurer. Since 1978, he has served as a vice president of the merged union.

# EDITORIALS

## Hunger in America

NOT MANY Americans went hungry on Thanksgiving Day, unless they were too proud to share the meals or food baskets that churches and other concerned groups provide to brighten holiday seasons. But the Thanksgiving leftovers won't stretch until the Christmas baskets are passed out, and the bull market in stocks isn't going to provide meat for the needy.

The good news, and heaven knows we need it, is that Congress is starting to accept the fact that the solution to poverty and hunger isn't yet another deep round of cuts in programs to help the poor.

A welcome sign is that the Republican Senate, as well as the Democratic House, rebelled against proposals to make further cuts in food stamp eligibility and refused to make the needy bear the burden of budget deficits caused by round after round of tax cuts for the wealthiest.

On a voice vote, it soundly defeated the proposal by Sen. James A. McClure (R-Ida.) to cut back on food stamp allotments to demonstrate that the Senate "really means" to balance the budget.

By an impressive 63-36 margin, it supported an amendment by Sen. Robert T. Stafford (R-Vt.) and overturned the Senate Agriculture Committee, which had sought to count low-income energy assistance as income in determining food stamp eligibility. At least this winter, poor families in cold climates won't have to choose between heating and eating.

Neither the Senate bill nor the more adequate House bill repairs all of the rips in the supposed safety net inflicted during President Reagan's first term. But Congress seems to be signaling at least a truce in the ugly war against the poor.

## Part of the Answer

THERE WOULD be less hunger, less poverty, less need for food stamps and unemployment compensation, if an unrealistic trade policy had not encouraged the shift of job-providing industries to other countries.

To date, the one trade bill the Reagan White House has been unable to sidetreack in Congress is the measure setting realistic quotas for textile, apparel and shoe imports. The House, which has already passed one version of the legislation, has scheduled a vote on a motion to accept the Senate-passed bill, thus avoiding the risk of further delay.

It should be approved, and by a big enough vote to let President Reagan know that a veto would defy the will of a large bipartisan majority of Congress—and of the American people.

## Making a Choice

ELECTIONS ONLY TELL us who won and who lost, for a little while, until the next round. They don't tell us who was wrong or right. For that we rely on history.

History has already proved that labor was right in 1968, when it chose Hubert Humphrey over other contenders for the Democratic nomination and then over Richard Nixon. How much better off the nation would have been, how much grief and trauma it would have been spared, if it had followed labor's lead then.

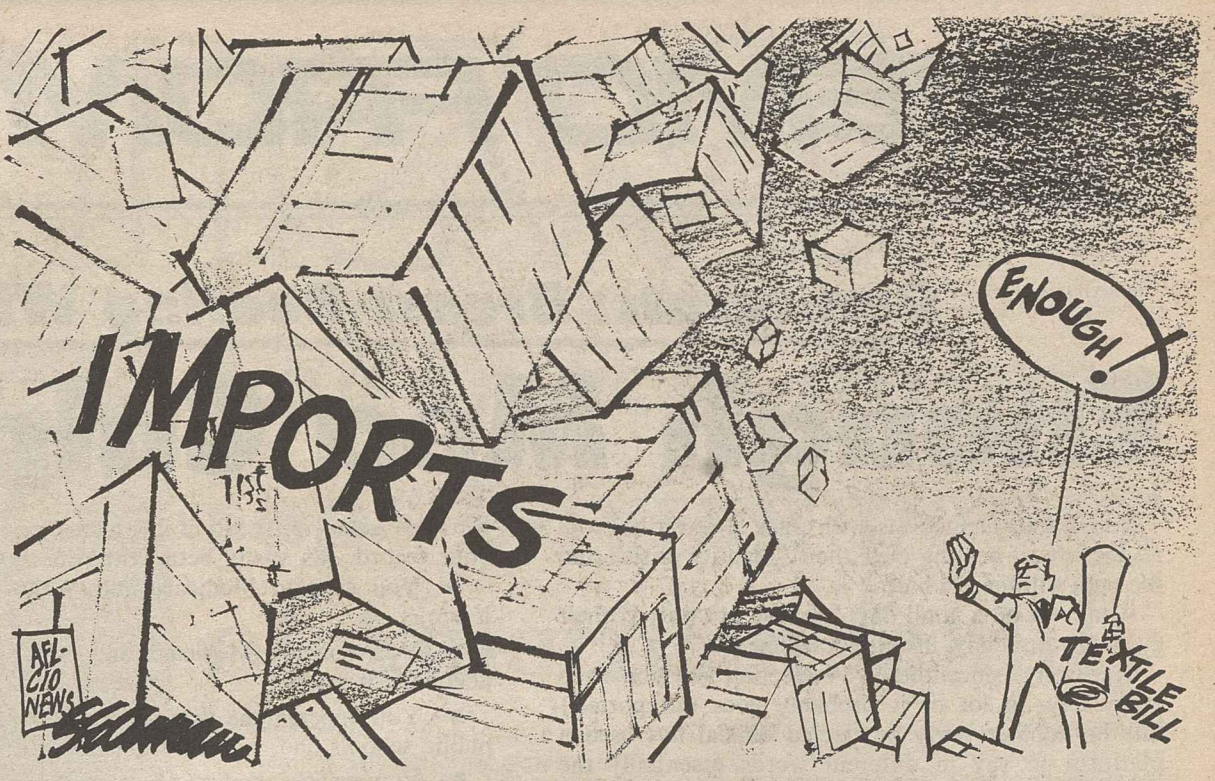
History will also prove labor right in 1984 for having chosen another man from Minnesota over a different candidate from California. And when history's judgment is finally rendered on that election, the labor movement will be able to look back on its choice with a clear conscience.

To keep faith with our mission, we intend to stay active in every phase of the political life of this country. Our choice is not whether to be involved, for like it or not we are involved for better of worse in the consequences of politics.

Our choice is whether we will be among the victims or among the authors of events.

We in the labor movement are willing to stand on our record—and build on it as we move forward into the future.

*—From AFL-CIO President Lane Kirkland's address at the Hubert H. Humphrey Institute of Public Affairs, University of Minnesota, Nov. 18, 1985.*




**Washington Window**

# Upgrading of public schools threatened by voucher plan

**By Press Associates, Inc.**

Equal universal education and abolition of imprisonment for debt headed labor's list of demands in the early 19th century. Labor's recognition that education offered a way out of poverty and a means to cope with emerging industrialization led to the free public school system.

A generation ago, after 14 years of lobbying by labor and its allies, Congress passed a program of aid to school districts with large numbers of disadvantaged children.

Today, that program—known as Chapter I—stands threatened, along with the teacher unions and, in the view of some, even the public school system itself.

When Education Sec. William J. Bennett recently unveiled a plan to provide poor parents with vouchers averaging $600 to enable them to send their kids to private or public schools of their choice, he couched it in lofty terms.

"At present," Bennett said, "our most affluent families do exercise choice by buying a home in the neighborhood of their choice, or by sending their children to a private school. The poor do not now have that kind of choice."

The Reagan Administration plan would cover the 5 million children now in public schools receiving $3.1 billion in federal funds under Chapter I, formerly Title I of the aid to elementary and secondary schools program.

### Rivalry lauded

According to Bennett, the voucher plan would "serve the cause of social justice" and promote a "healthy rivalry" among schools.

The voucher idea came under immediate fire from union leaders, big city school officials and others.

Teachers President Albert Shanker said the vouchers would result in "cannibalization of a program with a proven track record." He said the success of the Chapter I remedial programs has been proven by Bennett's own Education Dept.

Shanker said the voucher system could result in skimming the public schools of better students, removing role models and weakening the schools. Vouchers could wind up financing schools geared to certain racial, religious, ethnic, political or ideological groups, he warned.

The proposed voucher could be the nose of the camel, Shanker said, with the rest of the camel bringing tuition tax credits and vouchers for all schoolchildren and with them the destruction of public education. "Congress should send this camel on a long trek through the desert," Shanker wrote.

President Mary Hatwood Futrell of the unaffiliated National Education Association called the voucher plan "nothing more than a ruse to use public money to pay for private schools."

### Siphon off funds

The National Coalition for Public Education, a broad-based group of unions, religious and civic organizations, blasted the voucher plan. The coalition said it would put an "enormous" bureaucratic burden on local schools, siphon off already inadequate funding, and ill-serve needy children because voucher schools would not have to meet any educational standards.

The New York Times editorially called the voucher idea "a cruel hoax." Suburban White Plains, N.Y., charges $7,000 for non-residents to attend its public schools, the Times noted. Even inner-city parochial schools charge $1,000, it noted.

The National Parent-Teacher Association called the voucher idea an "insult." The Council of Great City Schools labeled it "ridiculous."

If the voucher idea is so bad, where did it come from? Credit—or blame—probably should go to the right-wing Heritage Foundation.

The school voucher plan and tuition tax credits were put forward in 1981 and again in "Mandate for Leadership II" in 1984 by Eileen M. Gardner. She wrote they would provide competition to the "public school monopoly, buttressed by the iron control of the teachers' unions."

Congress let the voucher proposal die in 1983, and it should suffer the same fate again.

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# MEMO FROM COPE

## Democrats: Breast-Beating Will Crack Your Ribs

# Enough Mea Culpa, Already

Some day, Democrats will crack a few ribs from all the breast-beating over their "identity crisis" and the pain will force a halt.

That will be a good day, because not only is their guilt trip unseemly, it's grown tedious.

Regularly, since the 1984 election (maybe even every day—a lot of it probably goes unreported) one or another party or elected official has used a platform to say in different words essentially the same thing:

We have sinned by being what we are. We shall atone by being what we aren't.

Then, maybe you voters out there will help us win elections in the Sun Belt and West (and, for that matter, the Northeast, the Mid-Atlantic, the South and the Midwest). Maybe if we sound like Republicans, you'll love us better.

If they keep doing this, we'll wind up with uniparty politics.

Someone should shake them. Someone should tell them, sure, go look for new approaches, new solutions, new ways to win voter allegiance.

But don't do it by retreating from convictions. Don't do it by imitating the other guys. And, for heaven's sake, don't do it by whiny apologies for your record. It's vastly better than the opposition's.

► You enacted Medicare and, while imperfect, it works.

► You enacted Medicaid and, while not fully adequate, it works.

► You enacted the first general aid program to public schools and, while it's got holes, it works.

► You enacted the first program of broadly available loans and scholarships for college-bound children of workers and the needy and, while it could be better, it works.

► You enacted the Voting Rights Act, and while its teeth can stand a sharpening, it works.

► You enacted the food stamp program, rent supplements for the needy, child nutrition and maternal care programs, Job Corps, Head Start, highway beautification, cultural programs and, while there's room for improvement in every one of them, they work.

These and other programs *you* put through—usually over the opposition of the same crew some of you now reach to emulate—have made things a little better for a lot of Americans. If they weren't cures for hard-core problems, they were softeners.

So Democrats—as you head into an important election year—breast-beat less, boast a little more.

You won support because you tried to do—and somewhat succeeded in doing—the humane thing, with very little help from the other camp. Stop apologizing for it.

Enough of mea culpa, already.

## Something Wrong With 'Constituent Interests'?

**"Mr. President, there are any number of Senators who, *because of constituent interests* (emphasis added) are going to be voting for this bill, and they are going to be voting for it with many qualms. They are not going to like it at all. But they are going to feel that they have to vote for it."—Sen. John Danforth (R-Mo.) in Senate debate on proposed textile/footwear import restrictions, Nov. 13, 1985.**

## ODDS 'n ENDS

**STEPPING UP** their drives for 1988 GOP presidential nomination—first of the post-Reagan era—are Rep. Jack Kemp and Vice President George Bush. Recent Kemp fund-raising dinner in New York lined his campaign coffers with $1 million, as more than 1,000 supporters put down $1,000 each to back their horse. On top of that, an additional $700,000 was pledged to Kemp by folks who either couldn't get there or didn't like the menu. Meanwhile, Bush not idle. To show how deep and wide his political support is, Bush announces formation of 476-member national steering committee for his PAC, Fund for America's Future. List includes governors, U.S. Senators, nearly 250 chairpersons of Reagan-Bush 1980 and 1984 campaigns. His PAC already has taken in $2 million.

**PUBLIC FINANCING** of U.S. Senate campaigns, on limited scale, is objective of legislation introduced by Sens. Charles Mathias (R-Md.) and Paul Simon (D-Ill.). Proposal would not cover Senate primaries or House contests. It would slap spending limits on candidates opting for public funds from voluntary income-tax check-off like one used to finance last three presidential races. Purpose is to slow down, perhaps reverse, staggering cost of campaigning, diminish perceived influence of PAC contributions.

**TALK ABOUT PACs** and arm-twisting they're sometimes accused of, here's man-bites-dog story. *Washington Post* reports PAC formed to help reelect incumbent Sen. Jim Abdnor (R-S.D.), who's up in 1986, pays messengers to go to trade/corporate PAC offices with letter from Sen. Strom Thurmond on impressive Senate-type letterhead. Letter duns PACs for contribution to Abdnor, says President Reagan will attend Abdnor fund-raiser and would be "disappointed to hear that your PAC has not signed on" to attend. PACs are given choice of $5,000 contribution, dinner tickets at $1,500 per, or confessing "No, our PAC does not wish to support the Salute to Jim Abdnor featuring President Reagan"—thus rebuffing not only Abdnor, but the President. Messengers are instructed to hang around PAC office like guilty conscience while PAC managers make decision. Says Abdnor aide, method works. "We got some of the answers we wanted." Now *that's* arm-twisting.

**HERE'S A GUTSY GUY** for you. Elliot Greenspan of Ridgefield Park, N.J., had announced he would challenge incumbent Rep. Robert Torricelli for 9th Congressional District Democratic nomination in 1986. Soon after, Greenspan was jailed in Lawrence, Mass., for refusing to testify before grand jury looking into credit card fraud. One of his first requests from the slammer: He asked a friend to call Washington and ask his congressman, Torricelli, to intercede for him.

**MUCH WRITTEN AND SAID** already about strong Democratic prospects in 1986 U.S. Senate races. With 22 GOP and only 12 Democratic seats up, Democrats have shot at taking control of Senate, now held 53-47 by Republicans. Flip side of that, however, comes in 1986 gubernatorial contests. Demos now in statehouse in 34 states, GOP in 16. *But* of 36 gubernatorial spots up in 1986, Democrats hold 27, Republicans nine. Clearly, if arithmetic favors Dem gains in Senate races—as it does—same arithmetic applies on side of GOP in governor contests.

**MORE ON TURNCOAT** Democrats seeking office as newborn Republicans. Recent election in Charlotte, N.C., saw Dem Mayor Harvey Gantt reelected over Dem-turned-GOP challenger. At same time, Herb Spaugh, city council member who switched from Dem to GOP in mid-term was defeated for re-election, running sixth out of eight for four seats up for grabs.

**RIGHT-WING COALITION** formed to deny labor unions right to participate in politics, one of Jesse Helms' long-held goals. Called Coalitions for America, it includes among leaders some big-hitters from "new right" movement, notably Paul Weyrich, who heads Committee for Survival of a Free Congress—one of most active and well-funded rightist PACs—and Henry Walther, former high officer of National Right to Work for Less Committee.

# No-Tax Firms Give Big $$ to GOP

On one hand we have 50 major American firms who've gotten terrific tax breaks under our President. In fact, despite raking in profits, they haven't paid *any* federal taxes. Not only that, they've been *given* money from the Treasury in the form of tax *rebates* (on taxes they didn't even pay).

On the other hand, we have these same corporations (most of them, anyway) lavishing contributions on Republican candidates for the U.S. House and Senate.

Now, you'd have to be an awful cynic to conclude that there's a link between tax benefits received by these firms from Republicans and contributions conferred by them on Republicans. So don't do that. Don't be cynical. It's unhealthy. Just read the facts.

According to research by Citizens for Tax Justice, political action committees of 50 major profit-making companies that paid no taxes during President Reagan's first term gave $6 to Republican candidates in the hottest Senate elections of 1984 to every $1 for Democratic candidates.

Their contributions ran 4-1 GOP in the closest House races.

These 50 firms got net tax *rebates* of $2.4 billion on combined domestic profits of more than $57 billion between 1981-84.

The rebates were over and above the $26 billion in federal tax they *should have paid* but didn't under the 46 percent corporate tax rate. So, they were *forgiven* $26 billion and *given* another $2.4—a cool net of $28.4 billion.

The PACs of these firms handed out $4.9 million to Senate and House candidates in 1984. In marginal House contests, 82 percent of their funds went to Republicans. In marginal Senate races, 86 percent.

The 13 biggest corporate PAC donors handed 96 percent of their contributions to GOP candidates for House and Senate—$840,000 out of $879,000.

## Oh, That One Vote!

**Does one vote count?**

**Here's your answer, from results in Nov. 5 local elections in Maryland and Virginia close-in suburbs of Washington:**

**Charles Donnelly and incumbent Alvin Kushner *tied* in the race for mayor of College Park, Md., at 1,293 votes each. Barry Wood and Sherrill Murray *tied* at 193 each for a College Park city council seat. (New elections might be called in each case.)**

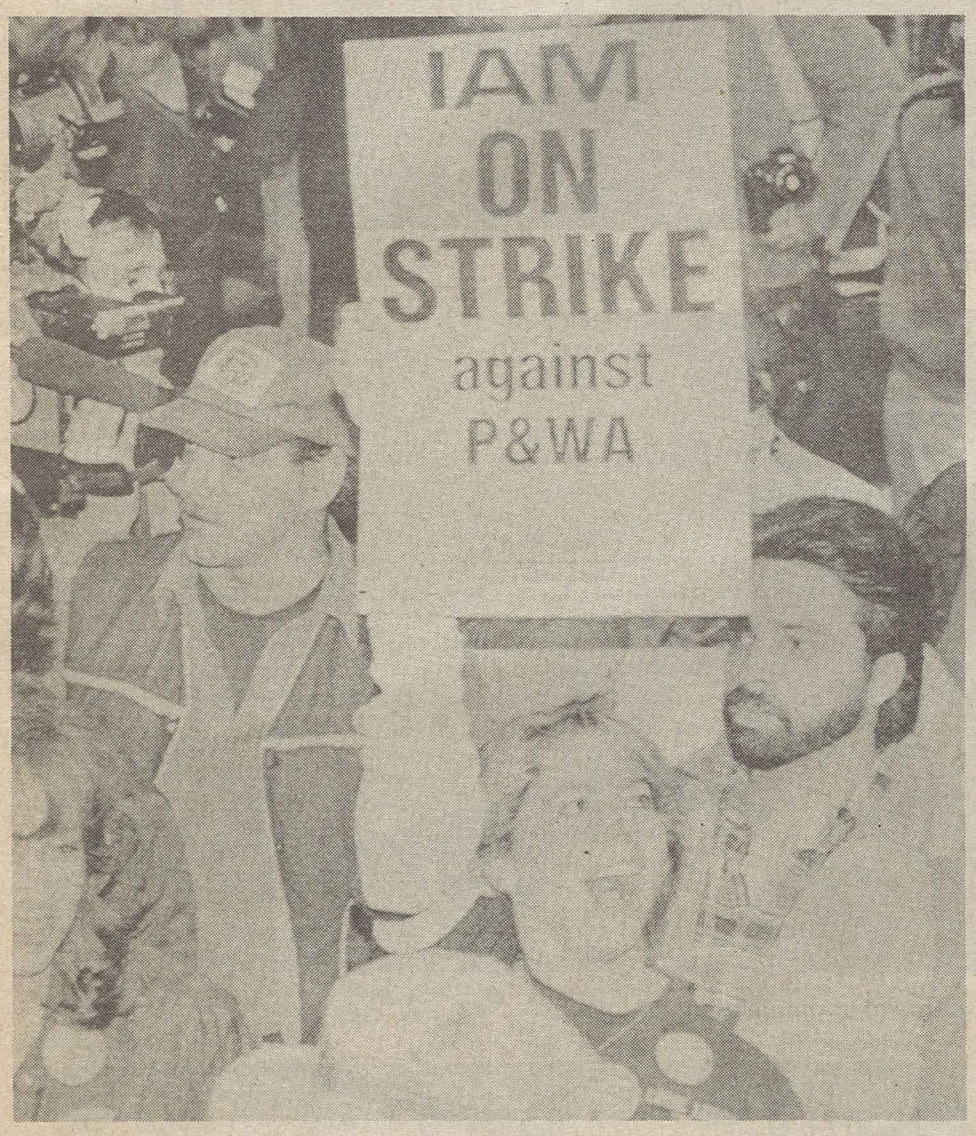
**Stephen DelGuidice defeated incumbent Sammie Abbott for mayor of Takoma Park, Md., by just seven votes out of 3,149 votes cast.**

**In Stafford County, Va., M. A. Fagan topped Rebecca Reed for the board of supervisors 1,185-1,183, just two votes out of 2,368. In a contest in Virginia for House of Delegates, Stephen Gordy defeated Jeffrey Fairfield 9,810-9,744—only 66 votes out of 19,554.**

**Does one vote count? You better believe it!**

AFL-CIO news

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SATURDAY
DECEMBER 7, 1985




## Job security at stake

Management's refusal to include job-security provisions in a new contract triggered a strike of 8,000 Machinists at three Connecticut plants of Pratt & Whitney Group. More than 8,500 jobs have been lost to new technology at the aircraft firm in the last five years, and another 1,000 could be wiped out within the next 12 months. (Story on Page 4.)

# Lag in real income saps buying power of American family

By Gene Zack

American families with children, struggling to keep their heads above water, have seen their pretax income plunge steadily over the past 11 years, with the steepest drop in purchasing power concentrated among those in the lowest income bracket.

That's the conclusion of a congressional study which shows that the typical middle-income family lost 10.9 percent of its purchasing power between 1973 and 1984, while those on the lowest rung of the economic ladder suffered a staggering 34-percent loss.

"Most American families are worse off today than they were in the early 1970s," the AFL-CIO said, because of the inflationary surge in the middle of the 11-year period, the high unemployment levels that followed, and the Reagan Administration's cuts in social programs during the past five years.

The federation's 16th convention in Anaheim, Calif., assailed the Administration for slashing $6 billion from Aid to Families with Dependent Children, and for its "outrageously harsh" eligibility provisions which denied all assistance to the working poor.

"This has cut the ground out from under the poorest of the poor," AFL-CIO economist Ann Draper said, "and makes a mockery of Administration claims that it is pro-family."

### Rich get richer

The study was made public by the Joint Economic Committee and is based on data furnished by the Census Bureau and the Bureau of Labor Statistics. It shows that, in the top income bracket, real earnings declined only 1.7 percent over the 11-year period, and actually rose 1.5 percent since 1979.

"Once again," Draper said, "the economic philosophy of the Reagan Administration is made abundantly clear. The figures prove the old adage that the rich get richer and the poor get poorer."

The statistics painted a grim across-the-board picture of what has happened to families with children. Female-headed households suffered steep drops in purchasing power, but two-earner families also saw their real earnings decline. Black, Hispanic and white families were all adversely affected by the decline in inflation-adjusted pretax income.

According to the study, families at the lowest end of the economic scale saw their income plummet from an average of $9,308 in 1973 to $6,142 last year, calculated on the basis of the buying power of 1984 dollars.

For the median middle-income family, real income declined from $28,988 to $25,836—a drop of 10.9 percent. Of that decline, 10.5 percent, or $3,019, was recorded in the 1973-84 period.

The average income of all black families with children declined 10.6 percent since 1973, from $20,708 to $18,504, the JEC said. The income of Hispanic families fell 6.9 percent, from $23,280 to $21,663, while that of white families dropped 7.6 percent from $33,859 to $31,298.

Continued on Page 4

# OSHA standards issued belatedly on job hazards

By Arlee C. Green

The Reagan Administration, after years of balking at lowering worker exposure limits to benzene and formaldehyde and attempting to impair the protections in the cotton dust standard, issued new rules for all three. But all three fall short of safeguards that unions sought.

In response to court-imposed deadlines, the Occupational Safety & Health Administration released proposed standards for benzene and formaldehyde.

The final cotton dust standard contains only minor changes, as unions were able to halt the initial attempt of OSHA and the cotton textile industry to further weaken protections. Even an eleventh-hour assault by the Office of Management & Budget failed.

"We're glad to see that OSHA finally issued the proposals," said Margaret Seminario, the federation's safety specialist. "But you must note that the agency began its 'expedited rulemaking' on benzene in July 1983 and has stalled for five years in writing the formaldehyde proposal. Neither proposal is the best it can be."

Seminario said that OSHA's failure to include a short-term exposure limit in the

Continued on Page 4

# Import curb bill defies Reagan's veto warning

Congress defied a veto warning and sent President Reagan a labor-supported, job-saving trade bill that would limit textile, apparel and shoe imports, and hold out hope to the threatened copper industry.

Neither the 255-161 final passage vote in the House nor the earlier 60-39 vote in the Senate quite reached the two-thirds majority needed to override the anticipated veto. But the message from Congress came through loud and clear.

Democrats and Republicans alike took the floor during the debate over final passage of the bill to tell the President bluntly that his "free trade" policy is bankrupting America.

They spoke of the closed plants in their districts, of workers left stranded in one-employer communities and of the erosion of America's industrial base.

The White House had sought to sidetrack the legislation to spare Reagan the political fallout, but the pressure on Congress to act was too strong to be denied.

The House decision to accept the Senate version of the bill avoided the risk of delaying tactics and assured inclusion of relief for the import-battered shoe and copper industries. The original House-passed bill had dealt only with textile and clothing imports.

So massive has been the tide of import

Continued on Page 6

## Kirkland cites benefits

# Labor spurs tax reform passage

The AFL-CIO called for House passage of the tax reform bill drawn up by the Ways & Means Committee and rejection of a business-tilted Republican substitute.

Both bills are expected to reach the House floor under a no-amendment rule before the first session of Congress adjourns in mid-December. If the Republican substitute is rejected, the House will vote on the bill the Ways & Means Committee approved by a 28-8 vote.

AFL-CIO President Lane Kirkland termed the committee bill "a major improvement" over the Reagan Administration's tax proposal. It takes "a long step toward restoring fairness" to the federal tax system, he said.

The Administration bill would have penalized middle-income Americans, Kirkland charged, and would have taxed the job benefits of workers in order to give another generous tax cut to the very rich. It also would have squeezed public services—and increased individual taxes—by ending the present federal deduction for taxes paid to state and local governments.

By contrast, the Ways & Means majority chose to shift a share of the tax burden back to corporations and the very wealthy—who had pocketed the largest shares of the deficit-breeding tax cuts enacted early in the Reagan Administration.

### Winning campaign

Kirkland noted labor's long, hard and successful campaign to put a majority of the House on public record against the attempt to make workers pay taxes on the value of health insurance and other employer-provided job benefits.

He praised the committee members who voted to exclude from the bill any new taxes on employee benefits, Rep. Charles B. Rangel (D-N.Y.), who made the motion, and Chairman Dan Rostenkowski (D-Ill.). All 23 Democrats and three of the 13 committee Republicans voted for Rangel's motion.

Kirkland also welcomed the minimum tax the committee bill would levy on corporations and individuals that now shelter their profits and earnings from taxation.

Another big plus, Kirkland said, is the bill's elimination of 6 million low-income households from the tax rolls and simplification of tax filing by making the standard deductions more attractive.

Before voting 28-8 to send the bill to the House floor, the committee rejected a Republican alternative that would have given additional tax relief to corporations and high-income individuals, shifting the burden back to middle-income taxpayers.

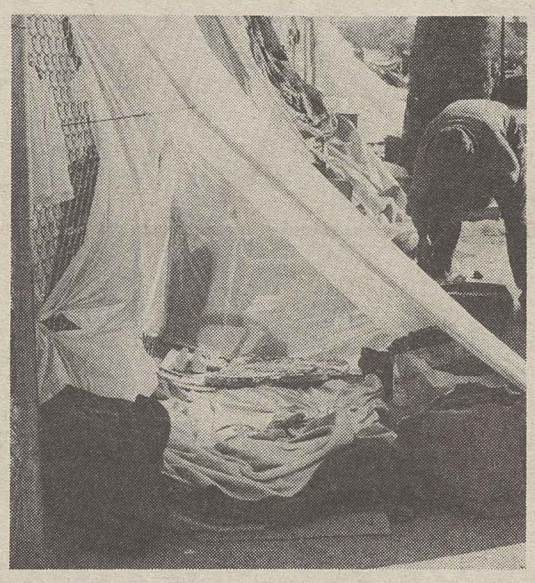
The GOP plan, which may be reshaped before being offered as a substitute on the

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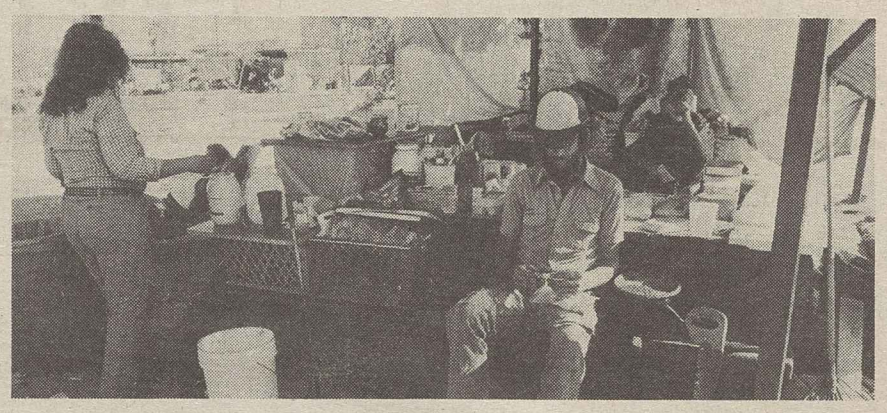
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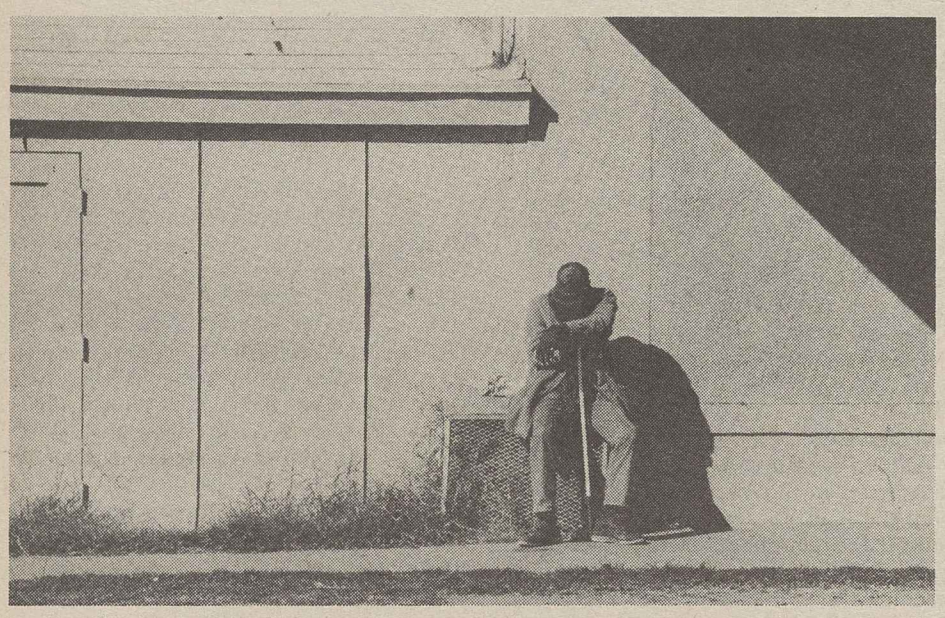




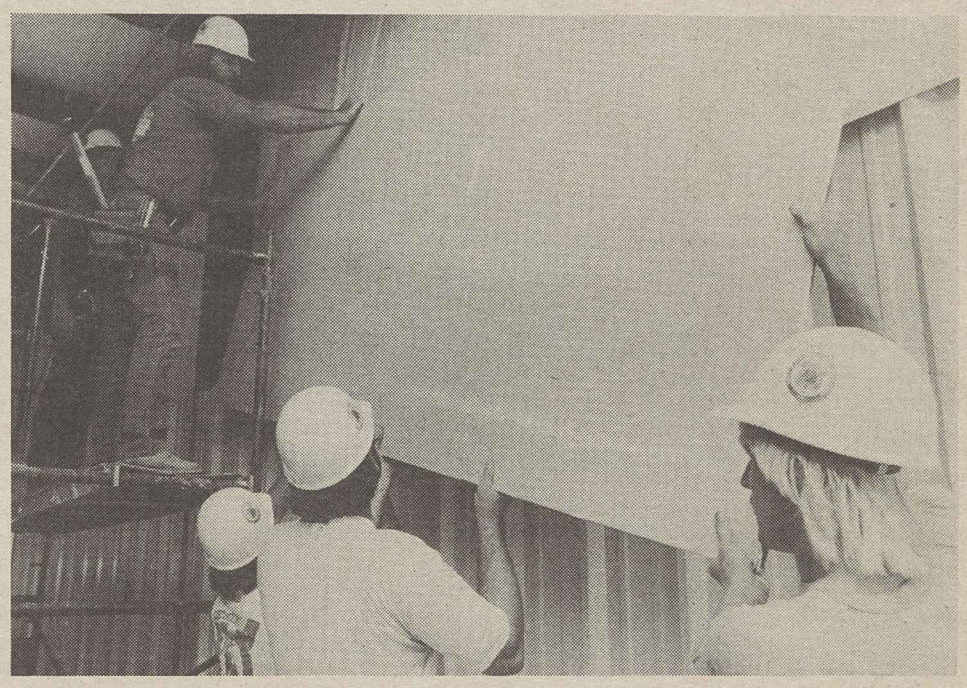
Makeshift cooking and sleeping area.



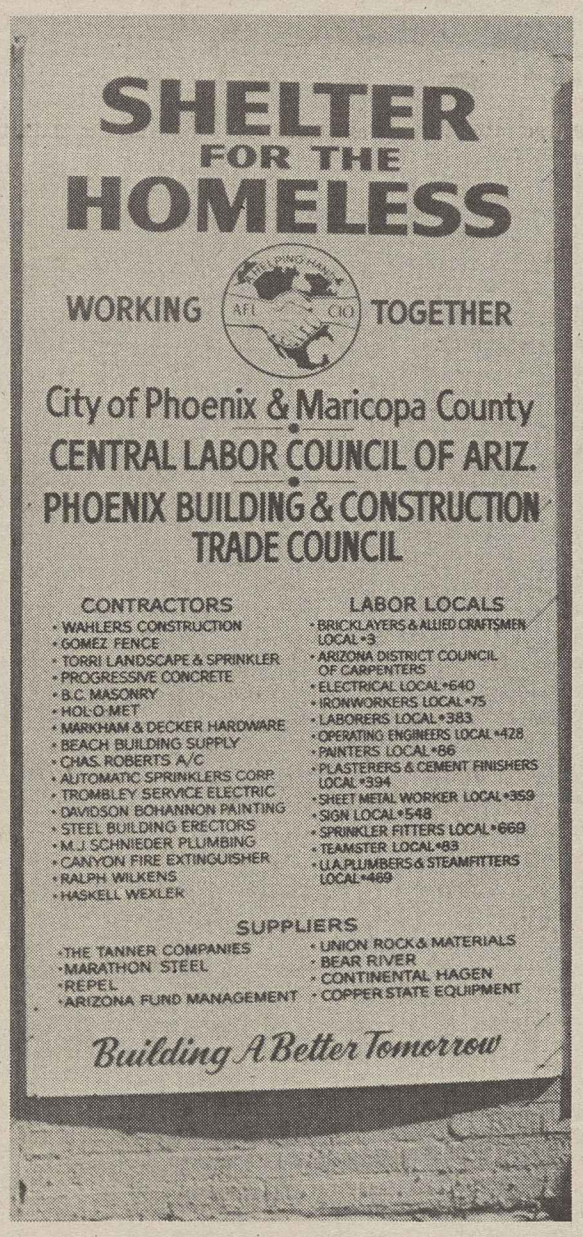
Camp out in city park.

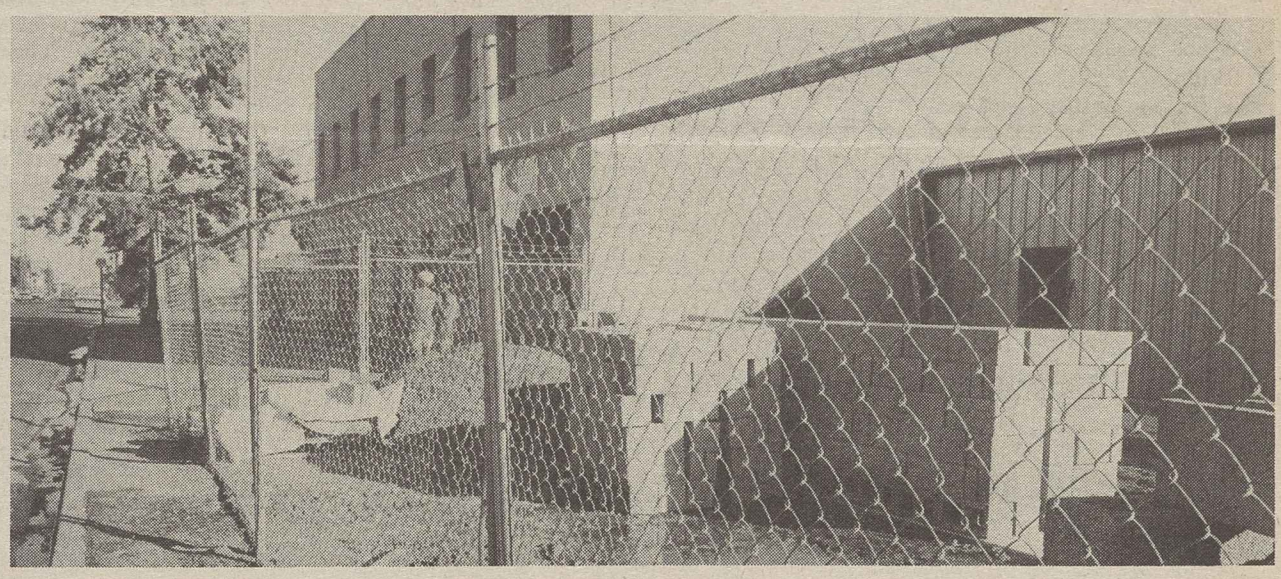


Hoping for shelter.



Carpenters' apprentices install lath.



New shelter under construction.

# Unions helping the needy

Phoenix—Union workers put the finishing touches on a sorely needed shelter for homeless men, the product of a team effort by organized labor, city officials and construction contractors.

The new facility can house 400 men and will open this weekend.

Pat Cantelme, president of the Phoenix AFL-CIO said the new shelter is essential to help house some of the city's several thousand homeless persons. He noted that many homeless people are forced to sleep in the city park and vacant lots near the new shelter.

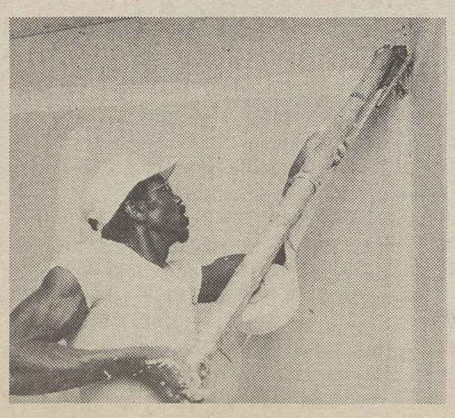
Members of 14 building trades unions volunteered their time and labor to build the shelter while the Central Arizona AFL-CIO and the Phoenix Fire Fighters together donated $10,000 toward the city-run project. The union effort was coordinated by Joseph Costa, director of the Phoenix Labor Community Service Agency.

Earlier this year, union crews renovated a women's facility in the same complex, which opened its doors to the city's homeless women on Apr. 2.

Area contractors and suppliers donated building materials, and construction work on the men's shelter began after ground-breaking ceremonies May 30.

Workers literally rebuilt the entire facility, covering nearly 13,000 square feet, said Cantelme. New features of the shelter include an open shower area, laundry room and a dining and activity area.

Labor's cash and manpower contributions have exceeded more than $40,000, according to shelter director Art Stillwell. He praised the unions for having "taken the lead in this project."



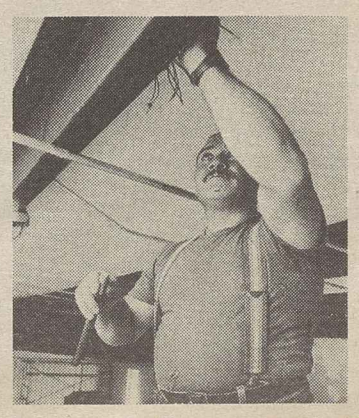
Charles De Grafe, Painters



Carpenters Vernon New and Scott Dean



Ronald Hanson, Painters



Lorenzo Ardizzone, IBEW

## Kirkland tells legislators

# Reagan policies leave legacy of inequalities

Philadelphia—President Reagan's social policies "blight the hopes and stunt the lives" of minorities and his economic policies translate into "increasing economic inequality" for all working Americans, AFL-CIO President Lane Kirkland declared here.

"We are confronted with an Administration in Washington that seems intent on making us refight the old battles" for social and economic justice, Kirkland told the ninth annual conference of the National Black Caucus of State Legislators.

Over the last two decades, Kirkland reminded his audience, America took "enormous strides in the march toward social justice."

In that period, nearly 11 million Americans, almost half of them children, "escaped the grasp of poverty," infant mortality was cut almost in half, education and training programs opened "new avenues of opportunity," and millions of youngsters grew up "without ever having seen a 'white-only' sign" over a public drinking fountain or in a restaurant, or were denied job or college opportunities solely because of race.

### Blighted hopes

But discrimination has not disappeared from America, Kirkland pointed out, and "21 years after the passage of the Civil Rights Act, inequality still blights the hopes and stunts the lives of millions of our citizens."

The goals of the labor and civil rights movements include school desegregation, quality education, decent housing and nutrition, affordable health care and full employment.

"But these are not the goals of Ronald Reagan," Kirkland declared.

With the President's approval, Kirkland asserted, the Justice Dept. has "systematically tried to erase decades of civil rights progress" by dragging its feet on the Voting Rights Act, going to court to block desegregation plans voluntarily adopted by local school districts, trying to give tax breaks to schools that "justify their racism on religious grounds," and attempting to repeal the Executive Order that bans discrimination by government contractors.

"They claim that they oppose these programs because they haven't worked," he told the state legislators, "but I suspect that the reason they're against them is that they've worked only too well."

### Chronic unemployment

On the economic front, Kirkland continued, Administration policies have led to "chronic high unemployment" which today, even at "the peak of the supposed boom," is higher than at the depths of the 1971 recession.

Although the "official rate" of unemployment is stuck at the 7.2-percent level, he declared, if discouraged workers who have given up their job search and part-time workers who want full-time jobs are added in, "the real rate of unemployment jumps to 12.6 percent."

Noting that the Administration makes much of the number of new jobs created since the depths of the Reagan Recession, Kirkland pointed out that the 20 most rapidly expanding occupations—largely in the service economy—pay on average $100 a week less than the 20 manufacturing occupations that are in the most rapid decline.

"The steady erosion of America's industrial base is depriving millions of young American workers of the stable, well-paying jobs that sustain our standard of living and offer admission to the working middle class," he said.

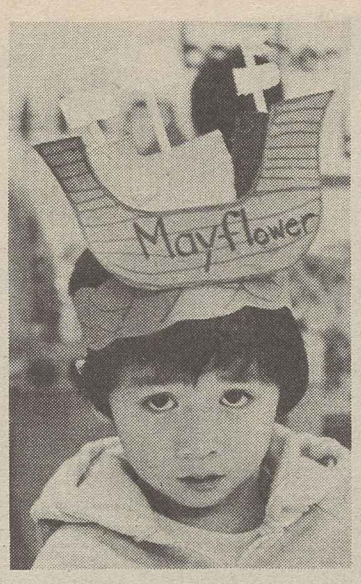
### Fading dreams

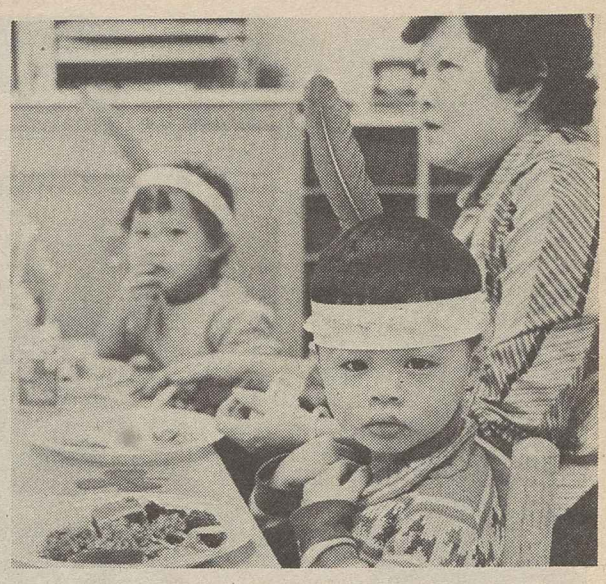
"For those young Americans trapped in low-paying service jobs, the American dream is fading fast," Kirkland told the legislators stressing that "for black Americans, the problem is even worse. In the last few years, black family income has fallen further behind white family income. And the rate of unemployment for black teenagers is double that for white."

Kirkland conceded that some of the job losses are "the irreversible result of technological change," but he insisted that many of the lost jobs have turned up in foreign countries because the Administration refuses to come to grips with the deepening trade crisis.

Five years ago, he said, the United States had a $40 billion trade surplus; this year it's headed toward a $140-billion deficit which represents almost 4 million jobs that have left this country.

Kirkland held out hope that, through the electoral process, the tides of fortune can be reversed. The labor and civil rights movements "take America's promise of equal rights, equal justice and equal opportunity seriously," he said, and "our commitment does not waver."



## First Thanksgiving

Pre-school youngsters of newly arrived immigrants get their first taste of American-style turkey and all the trimmings during a special Thanksgiving celebration at the Garment Industry Day Care Center in New York's Chinatown. The center provides day care services for 75 children of ILGWU members and is run by Ladies' Garment Workers Local 23-25, with help from the international, contractors and manufacturers and a city grant.

# Economic indicators inch up but future remains clouded

The government's index of leading economic indicators inched upward three-tenths of 1 percent in October—the weakest advance in four months.

Although the figures, taken as a whole, were positive, the AFL-CIO said, they "indicate problems for the future," because building permits and orders for new factory equipment—both of which are vital to any sustained economic growth—declined last month.

Federation Research Director Rudy Oswald said that "the future continues to be clouded by the import threat to U.S. industries and jobs and the decline in real earnings for American workers."

At the same time, Federal Reserve Vice Chairman Preston Martin warned that there was a possibility the nation could sink into a recession as early as 1986.

"One can imagine a set of policy choices that could lead to a recession next year," Martin told an economic outlook conference, contending that the government's report of a sharp upturn in the gross national product in the third quarter was "spurious" and "built on shifting sands."

In recent weeks, government reports have shown that real earnings of workers are two-tenths of 1 percent below their level of a year ago, and that the trade deficit is sure to eclipse 1984's all-time record.

The weakness of the economy reflects the battering American manufacturers have been taking from foreign competition. Hobbled by an overvalued dollar, they have seen their foreign markets dry up and have had to fight a growing invasion of cheaper imports.

The October advance in the leading indicators was the sixth monthly improvement in a row, the Commerce Dept. said. However, except for a 1.3 percent gain last January, the monthly advances this year have all been below 1 percent. Economists said that this points to only sluggish growth, at best, for the balance of the year.

One of the "positive" indicators cited by the government was the growth in outstanding credit. But some economists contended that this could be the prelude to a significant drop in personal spending as families seek to work off their record-high debt burdens.

In other economic developments:

- New factory orders for manufactured goods slumped 1.1 percent from September to October, the second monthly decline in a row. Manufacturers' inventories declined seven-tenths of 1 percent, the Census Bureau said. It was the largest one-month drop since March 1983 and the sixth decline in the last seven months.
- Sales of new houses fell 5.5 percent from September to October, the biggest monthly decline since April, the Census Bureau reported. It was the third decline in as many months, following drops of 3 percent in September and 4.9 percent in August.
- Construction spending rose five-tenths of 1 percent in October, as increased activity in residential building offset a steep drop in commercial construction. The increase followed a four-tenths of 1 percent advance the previous month—down sharply from the Commerce Dept.'s original estimate of 1.9 percent for September. Residential building activity rose 2 percent last month while construction of shopping centers, office complexes and other commercial buildings declined 5 percent.
- The Labor Dept. reported that third-quarter manufacturing productivity rose at an annual rate of 3.7 percent as output increased 3.3 percent and hours worked declined three-tenths of 1 percent. The figures represented an upward revision of the department's earlier productivity estimates.

# Federation calls for House okay of tax reform bill

**Continued from Page 1**

House floor, would lower the corporate profits tax from 36 percent in the committee bill to 33 percent, and drop the top individual tax bracket from 38 to 37 percent. It also would restore special tax benefits for the oil and gas industry and add some new tax shelters. The present top tax brackets are 46 percent for corporations and 50 percent for individuals.

Republicans are counting on restoration of oil and gas tax benefits as a lure to gain the votes of oil state Democrats for the GOP substitute.

Kirkland expressed regret that the committee did not make use of tax reform to reduce the federal deficit, and instead abided by President Reagan's insistence that tax legislation be "revenue-neutral." One method to have done so, he said, would have been to establish a top tax bracket of 45 percent for incomes over $100,000.

But overall, Kirkland stressed, the committee bill will help America's middle-income as well as low-income households.

### Mixed messages

President Reagan, who has proclaimed tax reform as his major domestic initiative has been getting conflicting advice from White House and Treasury officials as to whether the House committee bill or the Republican substitute comes closer to his proclaimed reform and simplification goals.

In the end, he stopped short of endorsing either version but said the legislative efforts represent "a good start but not an end product."

That was short of the strong presidential endorsement that Committee Chairman Rostenkowski said would be needed to get a tax bill through the House in view of the strong influence of business groups opposed to one or another segment of the reform package.

If the House acts, the Senate will take up tax reform in the second session—a congressional election year.

# *Tax justice coalition rallies support*

Citizens for Tax Justice, a coalition that includes union and public interest groups, will mount a nationwide campaign to support the tax reform bill approved by the House Ways & Means Committee.

The coalition's tax policy director, Robert S. McIntyre, said the House committee achieved real reform. If its bill becomes law, "for the first time in years, General Electric and Boeing will be paying as much in taxes as the people who work their assembly lines, type their letters and wax their floors."

Eliminating tax shelters will spur economic growth, McIntyre said. "Companies can go back to investing in things because they make economic sense—not because the tax code turns losses into profits."

Under the committee bill, he noted, corporate income taxes would account for about 13 percent of federal revenues by 1990, up from an average of 7.8 percent over the past four years and just above the 12.5 percent in the year before President Reagan took office.

Excessive depreciation has been a chief means of corporate and individual tax avoidance, McIntrye observed. But while the Reagan tax plan would have allowed even more generous depreciation write-offs, the Ways & Means bill provides that "buildings and machines will be written off in a manner similar to the way they actually wear out."

The committee bill also goes further to curb abuses of foreign tax havens by multinational firms and closes a loophole "that allows many major defense contractors to escape income taxes despite huge profits."

Other pluses include limits on tax breaks for mergers and takeovers, along with partial closing of oil and gas industry loopholes the Administration wanted to retain.

For individuals, McIntyre noted, 61 percent of the tax reductions will go to persons with incomes under $75,000, as compared with 51.7 percent in the Administration proposal. At the other end of the scale, persons with incomes over $200,000 a year will get 15 percent of the savings under the committee bill compared to a 31.4 percent tax reduction in the Administration bill.

McIntyre said the tax justice petitions circulated earlier this year in a labor-supported campaign encouraged the House committee to "say no to the loophole lobbyists" and, as the petition urged, "restore the corporate tax."

## GCIU electors confirm Norton as president

The board of electors of the Graphic Communications Union has declared James J. Norton president of the GCIU. He had been acting president since Aug. 28.

The board took the action after Norton received nominations from 228 of the union's approximately 650 locals. His three opponents, each nominated by just one local, fell far short of the constitutionally required nomination by 10 percent of the locals.

Norton played a key role in the recent merger talks between the GCIU and the Typographical Union. He said merger talks would resume early next year.

He had been the union's recording-financial secretary, a post which will now be eliminated.

Norton will fill out the unexpired term of past president Kenneth J. Brown, who retired last August.



## Grand opening

A snip of the ribbon opens the new legislative headquarters of the New York State AFL-CIO in Albany. Joining in the celebration are AFL-CIO Regional Director Humphrey Donahue, State AFL-CIO President Edward J. Cleary, Albany Mayor Thomas Whalen, State Labor Commissioner Lillian Roberts and State AFL-CIO Sec.-Treas. Paul Cole.

# *Pay, health, pension gains won in new RCA contracts*

Some 9,500 Electrical Workers and 5,000 Electronic Workers have ratified new three-year contracts with RCA Corp., giving them pay increases of 8.5 percent plus lump-sum payments to replace annual cost-of-living adjustments.

Although the two unions negotiated separately, they coordinated their bargaining strategy on the national agreements covering employees at 12 plants producing television sets and parts, and other electrical products.

The new contracts provide an immediate cash bonus equal to 3 percent of annual pay, with a 3-percent wage improvement to take effect in December 1986 and a 2.5-percent increase in December 1987. They will also receive $100-credits in a stock ownership plan each December.

In addition, skilled workers' pay will increase by 5 to 20 cents an hour immediately, with another raise ranging from 5 to 15 cents an hour effective in June 1987.

Instead of annual COLA increases, employees will receive a $225 cash payment in June 1986, $500 in June 1987 and $525 in June 1988.

Employees with 30 years' service, and those whose combined age and years of service add up to 85, will receive a $5,000 termination payment. Regular monthly retirement benefits were increased from $14 per year of service to $15 immediately and to $16 by 1988.

The contract also provides benefit increases of up to 10 percent for those already on the retirement rolls.

The IBEW and IUE won a new health care plan which includes a number of cost-containment features but does not require employee copayments or increased deductibles. Dental benefits were increased as was the lifetime major medical maximum.

Under the agreement, it will take newly hired employees two years to reach full pay. They will start at 80 percent of the going hourly rate and will receive wage increases of 5 percentage points every six months until they have achieved parity with present employees.

# Steady drop in real income besets most U.S. families

Continued from Page 1

The average family headed by a woman suffered a 7.8 percent loss of purchasing power in the past 11 years, a situation which Draper called "a prescription for disaster," while two-earner families saw a 3.1-percent erosion in real income.

The study called the trend particularly disappointing in light of the fact that it took place in a period in which many women entered the workforce and the number of two-earner families increased dramatically.

"The increased participation in the workforce of second wage earners may result in only modest increases in income," the report said, "because many second wage earners work less than full time at below median wages."

The drop in real earnings, the JEC said, resulted from reductions in annual wages and salaries coupled with sharp swings in the gross national product—the nation's output of goods and services. "While there were a number of good years during the period," the study pointed out, "there have been many poor and mediocre years providing little progress for any but a few small sectors of the economy."

In making the report public, Rep. Dave Obey (D-Wis.), the JEC chairman, asserted:

"We have changed from a society in which families could expect steady financial advancement to one in which it is difficult to hold your own—and most families are not. There has been a very significant reversal in economic fortunes.

"Families with children are working harder to hold the line; but for the most part they are not making it."

A Republican economist on the committee took issue with the study—drafted by the JEC's Democratic staff—insisting that the analysis should have been based on the after-tax income to reflect the Reagan Administration's 1981 tax cuts.

Draper sharply disagreed. "Reagan's tax cuts were concentrated on the wealthy," she said, "and they zapped people in the low- and middle-income groups."

## Whitfield nominated to key Labor Dept. post

Dennis E. Whitfield, a former official of the Republican National Committee, has been nominated by President Reagan to be Under Secretary of Labor.

He will succeed Ford B. Ford, who recently was nominated as a member of the Mine Safety & Health Review Commission.

Whitfield went to the Labor Dept. in April when Sec. William E. Brock joined the cabinet.

## OSHA delays hit

# New health standards termed short of need

Continued from Page 1

proposals was a "mistake which could result in harm to workers."

On cotton dust, Seminario noted that protections for some non-textile workers were removed completely, while wage retention was won for workers unable to wear respirators who are transferred to less hazardous jobs.

The Auto Workers led the charge to pry a formaldehyde standard out of the Administration. UAW President Owen Bieber pointed out that "after five years of delays, OSHA has finally offered an outdated, inadequate proposal that would actually allow some employers to increase formaldehyde exposures."

OSHA has twice denied petitions from the UAW and 14 other unions for an emergency standard on formaldehyde. Each time OSHA promised prompt action on issuing a proposed standard. Court action by the unions resulted in an order requiring OSHA to issue its proposal by Dec. 3, 1985.

Bieber stressed that the substance of the formaldehyde proposal "is extremely disappointing and illustrates the aggressive interference of the OMB into the regulatory process."

Dr. Frank E. Mirer, director of the UAW's health and safety department, said the union will argue in the OSHA public hearings, set to begin Mar. 11, that formaldehyde should be treated as a carcinogen, and that stringent short-term exposure limits should be included in the standard.

### Proposed limits

The proposed formaldehyde standard would lower worker exposure limits from the current 3 ppm to either 1.5 or 1 ppm. OSHA said it is considering either limit with an action level at one-half that amount.

Further, OSHA contended that because there is "substantial controversy over formaldehyde's potential carcinogenicity to humans," it proposed two revisions. One would simply lower the permissible exposure limit if formaldehyde is judged simply a mucous membrane irritant.

If, however, formaldehyde is shown to cause cancer in humans, then a comprehensive standard would be issued.

The results of a formaldehyde carcinogenicity study done by the National Cancer Institute are due to be released in January.

Michael Wright, director of the Steelworkers' health and safety department, said, "We're gratified the proposals are out, but we're sorry it took lawsuits to force the Administration to act. I'm convinced that without the legal actions, they wouldn't have done it." Wright said he, too, suspected that the delay was caused in part by OMB.

The USWA, which participated in the formaldehyde lawsuit, led the legal action on benzene.

The proposed benzene standard would reduce the permissible worker exposure limit to one part benzene per million parts air (1 ppm) averaged over an eight-hour workday, down from 10 ppm.

OSHA said four sectors of industry would be principally covered by the measure—petrochemicals, petroleum refining, tire manufacturers, and coke and coal chemicals.

The benzene proposal will permit the use of respirators during installation of engineering controls, cleaning and maintenance operations, in emergencies and in situations where engineering and work practice controls are not feasible.

Medical surveillance will be required for workers exposed above an action level of one-half ppm for 30 or more days per year or above 1 ppm for 10 days a year. Included in the medical surveillance would be workers who were exposed to levels above 10 ppm for more than 30 days in the year prior to the effective date of the standard.

### Attack blunted

The attempt by OSHA and industry to severely reduce worker protections of the cotton dust standard was thwarted by unions, said Eric Frumin, job safety director of the Clothing & Textile Workers.

After the OSHA hearing in 1983, the industry dropped many of its demands for changes and agreed to limited revisions, none of which involve outright elimination of protections for textile workers.

For non-textile workers in knitting, classing and warehousing, however, all protections are being eliminated. A study by the National Institute of Occupational Safety & Health will be performed "to confirm the earlier studies and assure that workers remain healthy," OSHA said.

Action levels were set at one-half the current permissible exposure limits for yarn operations, waste houses and weaving sectors. Frumin explained that for those plants whose workplace exposures are below the action level, medical examinations for workers will be required only every two years.

Workplace monitoring will also be reduced for those plants whose initial monitoring shows exposures below the permissible levels, Frumin pointed out.

# Oklahoma RTW drive pushed by Blue Cross head

Oklahoma City, Okla.—The head of the Oklahoma Blue Cross/Blue Shield is raising funds for a "right-to-work" drive in this state, the Oklahoma AFL-CIO charged.

State Federation President Rex Reynolds disclosed that Ralph Rhoades, president of the health insurance firm and chairman-elect of the Oklahoma Chamber of Commerce & Industry, sent a letter on Blue Cross/Blue Shield stationery to business executives, soliciting funds for the compulsory open-shop fight.

Reynolds said that Rhoades has thus far refused a request to meet with AFL-CIO officials to discuss the matter. The state federation intends to keep pressure on the Blue Cross/Blue Shield official to halt the practice, he added.

In addition to "right-to-work"—which was defeated by the voters in 1964, and which is the target of an all-out conservative drive in the next session of the legislature—Rhoades requested funds to lobby for undercutting workers' compensation and elimination of the prevailing wage law.

Five AFL-CIO unions are involved in a coordinated organizing drive to sign up an estimated 37,000 Blues workers across the country.

# Machinists strike over job security

East Hartford, Conn.—Frustrated by management's stubborn refusal to deal effectively with the critical issue of job security, 8,000 Machinists struck three Connecticut plants of the Pratt & Whitney Group.

While unionists manned picketlines at installations in Middletown, North Haven and Southington, another 8,000 IAM members at the main plant here voted overwhelmingly to reject management's contract proposals. Although 55 percent of the East Hartford workers voted to join the strike, the vote fell short of the needed two-thirds majority.

The IAM walkout is the first at Pratt & Whitney in a quarter century. In addition to the Connecticut facilities, the company has operations in Maine, Georgia and Florida.

With more than 8,500 jobs lost to new technology at Pratt & Whitney over the past five years, the IAM went to the bargaining table asking for adequate job security for the dwindling workforce, as well as a wage package worth 14 percent over the three-year life of the proposed new agreement.

### Hard bargaining

Pratt & Whitney, a division of the giant United Technologies Corp., refused to include any job-security language in the contract, offering only a "letter of intent" indicating it would pay laid-off workers up to $1,500 for retraining assistance.

The IAM, noting that the company's own documentation showed that 1,000 jobs will be eliminated under procedures scheduled to go into effect in the next 12 months, sought to modify the proposal to guarantee rehiring preference for workers displaced by technology or reductions in force.

When the company refused to make this modest change, production and maintenance workers at the three facilities voted overwhelmingly to strike.

The company's "final offer" called for a $300 one-time bonus to each employee, plus lump-sum payments equal to 3.5 percent of wages in each of the first two years and wage hikes ranging from 17 to 62 cents an hour in the third year.

The aircraft engine manufacturing firm was attempting to keep its production lines running by putting 3,000 supervisors on the floor of the three struck plants.

At the same time, management issued a threat that it would begin hiring "permanent replacements" for the striking IAM members.

# *Cornell papers link job loss to failed Reagan policy*

The "alarming persistence" of recession-level unemployment, three years into the so-called recovery from the Reagan Recession, demands concerted labor-management-government efforts if the economy is going to get back on its feet.

That's the conclusion of a 265-page book, "Economic Dislocation and Job Loss," published by Cornell University's School of Industrial & Labor Relations. It is based on papers presented by representatives of unions, business, government and private organizations at an April 1984 conference in Washington.

Labor officials taking part in the symposium included President William H. Bywater of the Electronic Workers, President William W. Winpisinger of the Machinists, President William H. Wynn of the Food & Commercial Workers, President Howard D. Samuel of the AFL-CIO Industrial Union Dept. and Sec.-Treas. Jack Sheinkman of the Clothing & Textile Workers.

Blame for the "devastatingly high rate" of joblessness is laid squarely on the Administration's tight monetary policies and its cuts in federal domestic programs, coupled with a lack of modernization of plants and equipment, an overemphasis on military spending, plant closings due to unchecked imports and barriers erected abroad to keep U.S. goods out of world markets, and the movement of American industries overseas in pursuit of "plentiful, cheap" labor.

### Immense suffering

"The suffering wrought by this dislocation and job loss upon millions of individuals, their families and communities has been immense," the introduction to the book asserted, "and many analysts, unfortunately, expect a continuation of the underlying causes."

The publication focuses attention on the causes and impact of the problem, takes a hard look at short-term labor market projections, outlines a range of proposed remedies, and examines the experiences of European countries in dealing with similar problems.

Although no consensus emerged from the conference as far as remedies are concerned, the book points to hopeful signs in that labor, management and government officials are engaged in continuing discussions on the subject.

Here are highlights of the union officials' papers included in the Cornell publication:

● The problem of worker dislocation under the twin impact of imports and technology "represents a degree of human despair and economic waste that demands immediate action," Samuel declared. It will not go away by itself, just because the economy is climbing out of the depths of the recession.

### Skewed statistics

The IUD president said the situation is obscured by the way the government reports unemployment statistics. "Dislocated workers who, out of desperation, are reduced to taking part-time jobs are counted as fully employed," Samuel said. And those who go from $10-an-hour jobs to employment paying only the minimum wage "are counted as fully and satisfactorily employed, even though their families may be close to destitution."

In the past, he pointed out, technological change usually resulted in more, and often better-paying, jobs. But today's workforce is increasingly tilted toward "low-skill workers who perform simple, repetitive tasks," plus upscale jobs for scientists and engineers. But those in the middle—trained mechanics, factory workers and skilled office workers—face the "extinction of their jobs."

● Winpisinger likened the present crisis to that which the nation went through in the 1920s and 1930s, when capital and technology "failed us as a people and delivered us into the Great Depression."

Employers are using technology as an excuse for union-bashing, demanding that workers give back hard-won economic gains, Winpisinger said. "If we resist concessions in bargaining, we're told we'll be automated out of existence. If we resist automation and technology, we're told the corporation will shut down and move overseas."

The IAM president called technology "just another job blackmail threat and a degredation of living standards," which, he said, "contains the seeds of class conflict and struggle." To avoid class warfare, he recommended a share-the-work, 30-hour week with no overtime and no loss of pay.

As for management's threats to "flee to exploitable lands," Winpisinger said the answer should be to "tell them to get the hell out," and then slam the door on the products they want to ship into the American market.

● Bywater branded the Reagan Administration "the chief villain in causing economic dislocation and lost jobs," and called for congressional action to deal with the record-shattering trade deficit.

The IUE, he said, "knows full well how thousands of high-tech jobs can be wiped out due to surging imports and unfair trade practices." In the past 10 years, the number of production workers in the American color television industry plunged from over 41,000 to fewer than 16,000, while thousands of other jobs were lost in plants producing parts and components.

### Dubious practice

Compounding the problem, he said, has been the offshore relocation of domestic manufacturers and the "dubious practice" by some producers of licensing technology to overseas competitors, setting the stage for still more imports flooding into the United States.

● With the jobs of the UFCW's shoe workers being wiped out by imports, and those of its packinghouse workers by automation, Wynn recounted the union's efforts to try to "alleviate some of the trauma of job loss."

In 1981 the UFCW received a $750,000 Labor Dept. grant to fund the union's economic dislocation program keyed to providing linkage between workers in need and community resources to help meet those needs, and mobilizing retraining and job placement resources.

During the program's two-year existence—a period which saw 90,000 UFCW members lose their jobs—50,000 workers received help. But in 1983 the Administration refused further funding because of "budget constraints and cuts in all government programs dealing with job training assistance to displaced workers," Wynn said.

● America is undergoing a "painful transition" as the industrial base declines, Sheinkman pointed out, and it is incumbent on both the public and private sectors to build into the system adequate protections for workers and their communities.

### Unproductive efforts

"Our major industries close one plant after another, abandoning rather than rebuilding aging machinery, swallowing up smaller companies rather than investing in new productive techniques, and waging a new war on unions through decertification and union-busting," he declared.

"They must not be allowed to leave shattered lives behind at every turn," Sheinkman insisted.

Labor must continue to fight for policies that assure rational change that strengthens the country's economy and protects the living standards of working Americans, the ACTWU official said. High on its agenda must be adequate job-security provisions in collective bargaining agreements and the maintenance of decent wage scales.

And management must "recognize that a skilled, well-paid and stable workforce is an asset to a healthy economy," Sheinkman said. Business "needs to be able to sell what it produces, and as our middle class declines, so does its demand for goods and services."

Copies of "Economic Dislocation and Job Loss" can be obtained for $14.95 through the Full Employment Action Council, AFL-CIO Industrial Union Dept., 815 16th St., NW, Washington, D.C. 20006.

# Davis-Bacon rule on overtime pay upheld by court

Philadelphia—The Davis-Bacon Act requires construction contractors on federally funded projects to pay prevailing fringe benefits for overtime as well as straight-time work, the U.S. 3rd Circuit Court of Appeals ruled.

That's the interpretation that the Labor Dept. gave to a New Jersey defense contractor who had argued that he shouldn't have to pay his non-union workers prevailing benefits for their overtime hours because the law didn't specifically require it.

The AFL-CIO Building & Construction Trades Dept. had intervened in the case in support of the Labor Dept. decision and provided evidence that the overtime interpretation was clearly in line with prevailing area practices.

The contractor, G&C Enterprises, had first challenged the Davis-Bacon policy before the Labor Dept.'s Wage Appeals Board, and lost.

Allowing a contractor to avoid making employment benefit payments for overtime hours would reverse the intent of Congress, the board said. The legal requirement to do so in accordance with the Davis-Bacon Act is "standard knowledge in the construction industry," it noted.

The firm then carried its argument to a U.S. district court, and lost again. District Judge Ann Thompson found "no basis" for the employer's argument.

At the appellate level, the three-judge panel unanimously affirmed the lower court's ruling.

## UTU wins back pay award for Trailways workers

Bus drivers and mechanics at Trailways, Inc. will receive more than $3.5 million in back wages to compensate Transporation Union members for management's contract violations.

Arbitrator Paul E. Glendon found that Trailways violated its two-year collective bargaining agreement with UTU when it unilaterally cut wages 10 percent and froze cost-of-living adjustments. Trailways imposed the wage cuts when the union refused contract concessions last August.

# Good life at the top

**Chicago—The 60 top executives of the Beatrice Cos. are being rigged out in multi-million-dollar "golden parachutes," even if they don't have to bail out following a forthcoming takeover of the food conglomerate.**

**The stock options and bonuses will be worth $75 million. Since Beatrice has agreed to pay the executives federal taxes on the additional pay and benefits, the actual cost to the company will be closer to $150 million.**

**The biggest windfall goes to William W. Granger, Jr., who will collect a whopping $7 million for his seven months of service as Beatrice's board chairman—a cool $1 million a month.**

**What makes the payoff different from most "golden parachute" arrangements is that the custom is to give benefits to its top executives only in the event of a hostile takeover—and then only if the officials are fired.**

**In this case, the takeover is a "friendly" transaction under which Donald P. Kelly will pay $6.2 billion to acquire Beatrice, which had bought out his Esmark Inc. last year for $2.8 billion.**

**The biggest beneficiaries of the lavish separation package—who will collect the largess even if they aren't separated from the new firm—will be the six most senior officials. They will share a payout worth $23.5 million. And better yet, they won't have to pay one penny of federal income tax on the payouts.**

**Who said bosses can't be nice guys?**

# Boston hotel workers score major gains in 3-year pact

Boston—Beating back management demands for major concessions, 4,000 Hotel Employees & Restaurant Employees won a new three-year contract to avert the city's first major hotel walkout.

After the eleventh-hour agreement was hammered out, HERE members employed at nine of Boston's biggest hotels hoisted Local 26 President Domenic Bozzotto on their shoulders and paraded through city hall where the negotiations took place.

"The good news is we won," Bozzotto told hundreds of cheering union members when the settlement was reached just minutes before a midnight strike deadline.

"We go back proud, we go back strong, we go back with the dignity and the justice we have made ourselves," he said.

The hotel workers won 6 percent wage increases in each year of the three-year agreement, despite management's insistence on a 4-percent pay hike contained in its "final and absolute offer."

In addition, the contract calls for a 26-percent hike in contributions to the health and welfare fund with vesting after four years' service, increased pension contributions, and improvements in holiday, vacation and sick-pay provisions.

Management had sought sharp cutbacks in all these areas and had insisted, up to the end, on a five-year agreement.

The new contract also contains strong anti-discrimination provisions and, in an industry where more than half the workers are women, provides for annual employer-paid seminars on workers' rights to be free of sexual harassment.

# Morrell strikers return with new UFCW contract

Some 2,700 members of the Food & Commercial Workers are returning to work after ratifying a new three-year contract which ended 12-week-long strike at the John Morrell & Co. plant in Sioux Falls, S.D.

The packinghouse workers won a $1-an-hour pay hike over the life of the contract, which improved long-term disability payments, increased the night differential and removed restrictions on the "30-and-out" pension plan.

Elsewhere, the union resumed bargaining with Geo. A. Hormel & Co. More than 1,700 meatpackers have been on strike at the firm's Austin, Minn., plant since mid-August.

No negotiations appeared in the offing, however, at either Wilson Foods Corp. or Farmstead, where UFCW members continue to work under indefinite extensions of their previous agreements.

UFCW locals in Ohio have won agreement from three regional meatpacking firms on contracts that meet the union's national goal of bringing the base labor rate in the pork processing industry up to at least $10 per hour.

The settlements cover 1,100 workers at the Sugardale Foods, Inc., plant in Canton and Superior Brand Meats, Inc., in Massillon, and 300 workers at Dinner Bell Foods, Inc., plants in Defiance, Archbold and Troy. The latter settlement also applies to Dinner Bells' Wilson, N.C., plant where striking UFCW members returned to work following a five-week walkout.

Meanwhile, the strike-lockout of 22,000 members of the UFCW and the unaffiliated Teamsters at 10 Southern California grocery chains, which began Nov. 5, continues with no progress toward settlement.

Some 1,100 supermarkets from Los Angeles to the Mexican border are affected by the strike-lockout.

At issue are management's demands for a wage freeze, a two-tier wage system, and major work-rule concessions.

In Northern California, 3,700 UFCW meatcutters are voting in a mail referendum on a new three-year contract with that region's supermarkets.

# MEBA sets campaign for air controllers

The Marine Engineers are planning to open a nationwide campaign to organize federal air traffic controllers.

MEBA was the parent union of the Professional Air Traffic Controllers Organization that was disbanded after President Reagan fired 11,000 controllers in 1981.

MEBA President Gene DeFries said the union, through its District No. 1-Pacific Coast District, will launched an organizing drive shortly. DeFries is also president of the district.

The district's executive committee recently voted to provide sufficient funding to run an effective campaign for Federal Aviation Administration employees, DeFries said.

### Improvement needed

"There is a widespread recognition of the need for improvement in the conditions of the thousands of men and women employed in the air traffic control system," DeFries said. MEBA, which has non-maritime professional and public workers in its ranks, "is convinced we can best provide the facilities and skills for effective representation," he said.

DeFries pointed out that "a considerable number of controllers have asked us in recent months to undertake an organizing campaign."

The MEBA president emphasized that a new air traffic controllers organization "will indeed be new. It will not be a disguised rebirth of the old PATCO. The new union will be effectively and responsively geared to serving the needs of this new generation of air traffic controllers."

PATCO, which was an autonomous affiliate of MEBA, was decertified in 1981 by the Federal Labor Relations Authority.

The Government Employees earlier this year had planned to organize 600 controllers in New England. But the FLRA ruled that the controllers can only be organized on a nationwide basis.

# Paperworkers reject plan on OCAW merger

St. Louis—A special convention of the Paperworkers rejected a proposed merger with the Oil, Chemical & Atomic Workers, and officials of both unions expressed regret at the inability to reach an agreement acceptable to delegates from each organization.

Nearly 1,300 UPIU delegates attended the special one-day convention, representing 250,000 members. They voted down the merger by a weighted rollcall vote of 14,803 to 5,396.

The OCAW, with some 120,000 members, had ratified the agreement last August at the union's convention.

Paperworkers President Wayne E. Glenn said the union's officers "will abide by the decision" of the convention.

Discussion preceding the vote indicated concern among local unions at some of the proposed constitutional changes, including a reduction in the number of delegates sent to conventions. Another point of controversy dealt with dues payments by members receiving sick benefits.

The merger agreement between the two unions had been shaped over a two-year period by committees that included the top officers of both organizations.

# Columbia clericals win first contract

New York—More than 1,100 clerical workers won their first contract at Columbia University, raising base pay dramatically and giving them an average 8-percent wage boost each year of the three-year agreement.

It took a decade of organizing effort by Auto Workers District 65, nine months of intensive collective bargaining and a three-day walkout before the issue was resolved.

The UAW also won landmark agreements from Columbia on compensating workers victimized by race or sex discrimination in the past, setting up a joint affirmative action committee, establishing a joint health and safety committee, and creating a mechanism to deal with the effects of automation.



## A slice of history

Rare volume of the history of the Knights of Labor is presented to AFL-CIO Sec.-Treas. Thomas Donahue by John H. Dunne, secretary-treasurer of the Professional & Technical Engineers. Dunne found it in a used book store. Titled, "Thirty Years of Labor," the book was written by Terrence V. Powderly, who headed the Knights of Labor from 1879 to 1893.

# *Congress challenges Reagan on import-relief legislation*

**Continued from Page 1**

damage that the coalition supporting the legislation included nearly half the Republicans in Congress as well as the bulk of the Democrats. Unions representing garment and textile workers joined with employer associations in the lobbying effort.

One out of eight industrial workers in the United States works in these industries, despite the loss of hundreds of thousands of jobs in recent years. The trail of closed mills and factories runs through the South, through the industrial Midwest, and along both the Atlantic and Pacific coasts.

The picture is similar in the shoe industry, with idled plants from Maine to Missouri, and in the western-based copper industry. In both these industries, the International Trade Commission has certified the damage from imports and has recommended remedies that President Reagan has turned down.

It was against this grim backdrop that the pressure for congressional action finally burst through the White House barrier.

As sent to the President, the legislation would roll back textile and clothing imports from South Korea, Taiwan and Hong Kong—the three biggest suppliers to the U.S. market—by 14 to 30 percent. Nine other nations would be limited to a 1-percent-a-year rise in exports to the United States. Even with these restrictions, imports would account for some 42 percent of the domestic market.

The bill would impose an eight-year quota on non-rubber footwear imports, limiting them to 60 percent of the U.S. market. Shoe imports this year are expected to account for 80 percent of U.S. sales. The legislation would also require the President to negotiate import restraints with other copper-producing nations.

### Need for legislation

The opening section of the bill, representing the "findings of Congress" as to the need for legislation, points up the magnitude of the problem. It notes that the nation's trade deficit in textiles and apparel exceeded $16.2 billion last year, an increase of 53 percent from the previous year.

The current level of imports represents more than a million "job opportunities lost to U.S. workers."

As for the Multi-Fiber Arrangement that was supposed to have regulated the growth of textile product imports, the goals have not been met—in part because of "the failure of the United States to enforce adequately its rights," Congress found.

The result, the legislation noted, has been "closed plants or curtailed operations," workers left without jobs, and "serious hardship" to hundreds of communities.

This indictment was largely ignored by U.S. Trade Rep. Clayton Yeutter in a letter to a House member reiterating the Administration's opposition to the bill. The bill would undermine the ability of the United States to "effectively negotiate" with its trading partners, Yeutter insisted.

House Ways & Means Committee Chairman Dan Rostenkowski (D-Ill.), who opposed but did not try to block the measure, argued against singling out particular industries for relief and promised to bring comprehensive trade legislation to the House floor early next session.

### Farm bloc fears

Several farm state representatives who spoke against the bill voiced fear of retaliation against U.S. agricultural exports.

But House Speaker Thomas P. O'Neill, Jr., said American industries "have been absolutely slaughtered by Reagan policies." Passage of the bill, he said, will send "a signal to the world that the U.S. Congress does not share the President's soft line on trade."

Republicans supporting the measure reminded President Reagan pointedly of his campaign pledge to protect the textile industry from further import damage.

The House consensus was that damage-control legislation couldn't wait and the bill was approved with 180 Democrats and 75 Republicans voting for passage, to 61 Democrats and 100 Republicans opposed. In the Senate vote last month, 35 Democrats and 25 Republicans voted for the bill; 28 Republicans and 11 Democrats opposed it.

# IUD expands list of brazen union-busters

Two giant West German multinationals and a small but vigorously anti-union American firm joined the AFL-CIO Industrial Union Dept.'s "dishonor roll" which turns the spotlight on the worst labor-bashing companies in America.

The inclusion of BASF America Corp., a wholly owned subsidiary of the huge BASF Aktiengesellschaft, and Lehigh Portland Cement, part of Heidelberger Zement Co., marked the first time that foreign-owned companies were placed on the list.

The third 1985 nominee is Trojan Luggage Co., of Memphis, Tenn., a small American firm which, the IUD said, "is pursuing union-busting with the same zeal as the larger nominees."

Unions involved in the disputes with the newest members on the "dishonor roll" include the Oil, Chemical & Atomic Workers and the Chemical Workers at BASF; the Cement, Lime & Gypsum division of the Boilermakers at Lehigh Portland, and the Furniture Workers at Trojan.

### Two-faced firm

IUD President Howard D. Samuel accused the two West German firms of "operating like Dr. Jekyll and Mr. Hyde."

"They treat their unions and workers at home with respect and dignity," Samuel said, "but in this country they seem to be operating under the bold belief that they can ignore our labor laws."

Foreign companies which find it profitable to operate in the United States "should behave like exemplary citizens," Samuel said, and most do. But BASF and Heidelberger are the exceptions, and labor intends to pursue legal and legislative remedies "to assure that such behavior by foreign corporations does not become the rule."

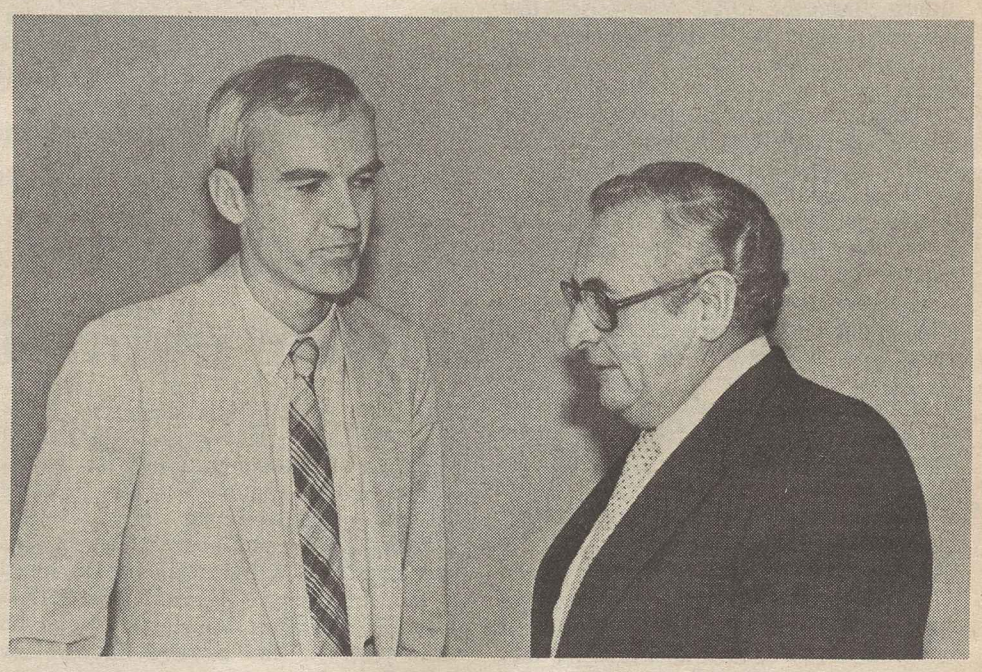
Six of nine previous nominees remain on the IUD's "dishonor roll"—Faberge, Inc., Indiana Desk Co., Louisiana Pacific Corp., Marval Poultry Co., Phelps Dodge Corp., and Proctor & Gamble. Three others—AP Parts, Capital Cities Communications, Inc., and Litton Industries—were removed following a turn around in their relationships with their unions.

# Labor lifts boycott against mime troupe

The San Francisco Mime Troupe has been removed from the AFL-CIO "unfair list," the Union Label & Service Trades Dept. announced.

The action was taken at the request of Actors' Equity, which had been instrumental in having the group cited by the AFL-CIO department in May.

Removal of the theatrical group came after it signed an agreement with Equity covering its current eastern tour. Alan Eisenberg, executive secretary of Equity, said negotiations are continuing between the union and the mime troupe.



## New WISH leader

AFL-CIO Vice President Marvin J. Boede, new chairman of the Workers' Institute for Safety & Health, meets with WISH Executive Director Vernon McDougall. Boede, president of the Plumbers & Pipefitters, succeeds J.C. Turner, president emeritus of the Operating Engineers. Communications Workers President Morton Bahr and IUOE President Larry Dugan were both elected to the board of trustees.

# EDITORIALS

## The First Round

THE ABORTED ATTEMPT to cut the pay of America's workers under the guise of tax reform was thwarted in the House, thanks to the alert sounded by the trade union movement and the response of union members across the country.

The same strong response by union members helped block the Administration's attempt to force cutbacks in city and state public services by ending the federal deduction for state and local taxes.

It was outrageous that a Congress which had put the nation so deeply in debt in order to give billions of dollars in tax reductions to corporations and the wealthy should have seriously considered taxing the employment benefits of workers in order to further cut taxes on business profits.

But at the start of this year, the threat was very real. On that issue, some of the Democratic "tax reformers" were on the same wavelength as the Reagan Administration.

As a result of your postcards and letters, reflecting the grassroots lobby fostered by international unions and by the AFL-CIO's state and local central bodies, the tide turned.

House members got the message and a strong majority joined in sponsoring a resolution rejecting taxation of health insurance and other employer-provided benefits. And members of the Ways & Means Committee found out that a lot of voters, not just mayors and governors, were concerned with the future of cities and states.

Let's hope that the Senate got the message, too. But if there's any doubt, you'll be hearing from your union. And your senators will be hearing from you—again.

## Unbalanced Politics

IT'S NOT SURPRISING that the Reagan White House is spinning its wheels in an effort to get Congress to reshape the Gramm-Rudman balanced budget plan the President not long ago so ardently embraced.

As someone should have explained to the President earlier, government can't function effectively in such a straitjacket.

The President has expressed concern about the impact on the nation's defense, and properly so. But there are equal grounds for concern over the impact on the domestic functions of government, and on safety-net programs that will be most needed in times when tax revenues are lowest.

Most curious of all is the renewed attention being given to the thoroughly discredited balanced budget constitutional amendment.

Surely, the losing struggle to turn Gramm-Rudman into workable legislation should be a loud and clear warning of the pitfalls of trying to hammer a balanced budget amendment into the Constitution.

## Working Union

THANKS TO an enterprising reporter, Washington area newspaper readers got a revealing glimpse of the unionized sector of the construction industry from the viewpoint of workers and employers.

An Iron Worker, a veteran at his trade but a new member of the union, was enthusiastic about the union's training program he attended two nights a week.

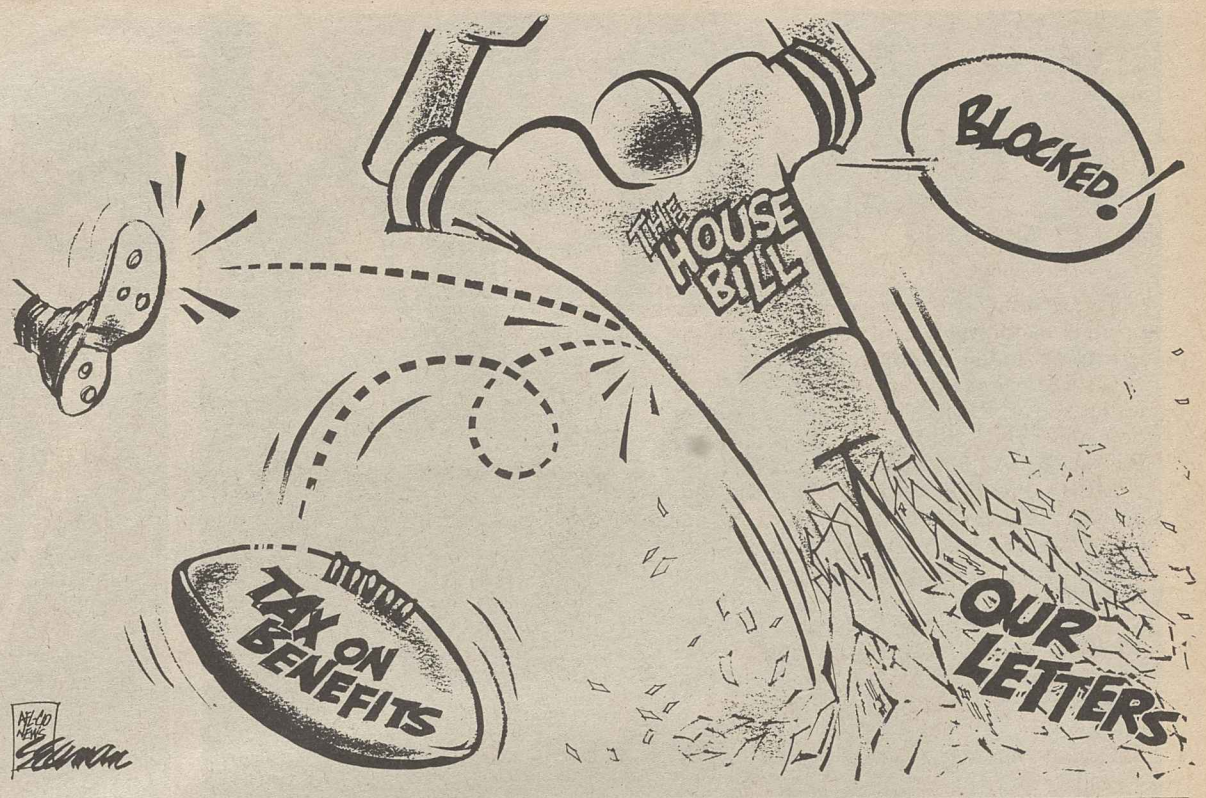
"I've worked all over the U.S.," he told the Washington Post reporter. "On the non-union side, I got no training. You go out on the job and learn by mistakes . . . and accidents." Working union, he said, "you don't go out with untrained people, and I found out what I'd been missing for 15 years."

On the management side, two different contractors used almost the same words in explaining why they are better off paying union wages to workers who earn them.

With union crews, said one, "we have highly skilled labor. We can use less men, get it done quicker, bring in the job on time."

From another major employer, "It may cost me $120,000 more to use union labor, but I can finish the job two months earlier."

Or as the trade union movement's founders put it, "a fair day's work for a fair day's pay."




**Washington Window**

# Private charity not enough as hunger, poverty deepen

**By Press Associates, Inc.**

During the Thanksgiving holiday, religious and other private relief organizations reported that they were strained to the limit in providing a hot meal and a little warmth to growing numbers of impoverished and homeless people.

Two days after Thanksgiving, leaders of labor, religious, civil rights, women's rights, children's defense, the elderly, and citizen action groups gathered in five cities for public hearings, rallies and speak-outs on poverty in America.

In Los Angeles, Chicago, Atlanta, New York and Des Moines, Iowa, the voices of the poor, including displaced workers and other "new poor," were heard in churches and soup kitchens along with front-line poverty workers and experts. The community events were followed by sessions in which local, state and national strategies to combat poverty were discussed.

The events, named "Thanksgiving Action on Poverty," were sponsored by a labor-backed coalition of 37 organizations. They declared that poverty amid plenty is "a national tragedy and a moral scandal. At a time of public thanks and private giving, we believe that private charity is not enough."

### Public investment

"Only public investment," they said, can provide adequate "opportunity, education, nutrition, preventive health care, job training, and insurance against adversity."

The call to action noted that "the conditions of poverty in America have worsened dramatically over the past several years. Economic vulnerability now extends well into the formerly secure middle class."

The call was issued at a Washington press conference where a "State of the Union" report on poverty and economic vulnerability was released. The 39-page report, prepared mostly from government data by the Center on Budget and Policy Priorities, contained some surprising and disturbing facts, including these:

- One in four Americans lives on a poverty-level income for at least a year in a given decade—the "revolving door" of poverty.
- About one in seven Americans currently lives below the poverty line, which is $10,609 for a family of four. Of nearly 34 million poor, more than 13 million are children. More than one out of every five children now lives in poverty.
- Of those living in poverty, 57 percent are female, 68 percent are white, and 32 percent are minority. One third of blacks and more than one of every four Hispanics is poor.
- The number of those who work full-time year round and are still poor is over 2 million, nearly double the number eight years ago. The reasons include an increasing tax bite on lower-income workers since the late 1970s and the fact that the minimum wage, at $3.35 an hour, buys 25 percent less than it did in January 1981, the last time it was adjusted.
- Of the workers permanently displaced in the past five years, most are either still unemployed or working at jobs that pay less than their former jobs. Many have slipped into poverty.
- The 1984 poverty rate of 14.4 percent is at its highest since 1966, except for the recession years of 1982 and 1983. There now are 4.4 million more poor persons than there were in 1980.
- The growing gap between upper and lower income families has been growing, especially since 1980, and is now wider than at any time since the end of World War II. Census data show that all income groups, except the richest fifth of the population, had less after-tax income in 1983 than in 1980.
- Federal budget reductions since 1981 cut deepest in already inadequate programs for poor and moderate-income people. For example, in no state do Aid to Families with Dependent Children (AFDC) payments for a family of four reach 75 percent of the poverty level. Even combined AFDC and food stamps do not equal the poverty level. Despite the rise in poverty, the food stamp program currently serves fewer people than at any time in the past five years.

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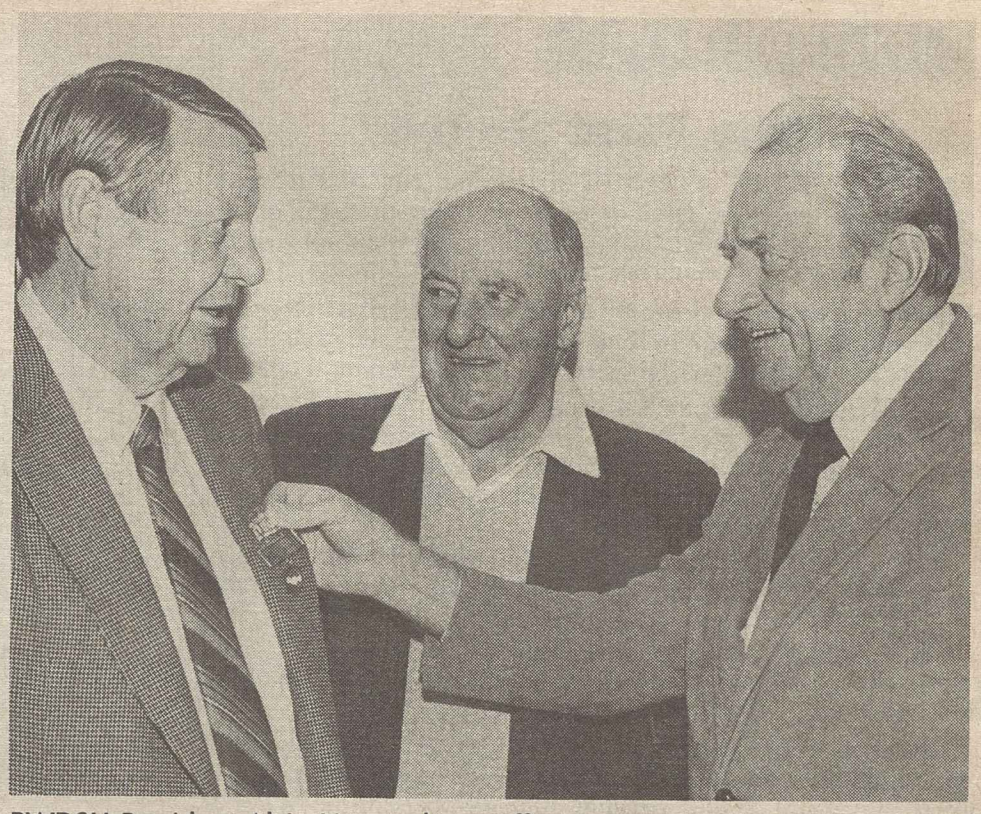
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Newly elected AFL-CIO President George Meany shares gavel with CIO President Walter Reuther at Dec. 5, 1955, merger convention.



RWDSU President Alvin Heaps shows off merger convention badge to Tom Moran and Bill Gillen—all delegates to the 1955 convention.

# *Labor history buffs mark merger's anniversary*

**By Candice Johnson**

The 30th anniversary of the AFL-CIO merger was marked at federation headquarters with a special program organized by the National Capital Labor History Society.

Labor historians and educators joined union representatives and delegates from the historic 1955 convention for a bit of reminiscing and a look to the future of the trade union movement. The program was held on Dec. 5, the anniversary date.

Alice Hoffman, a labor historian at Penn State University, discussed the oversimplified view many historians and labor reporters held of the AFL and CIO at the time of the merger and even today.

The CIO was deemed "radical and forward-looking" while the AFL was cast as "stodgy and old," Hoffman remarked.

She said the AFL-CIO merger oral history project, funded by the National Endowment for the Humanities and set up by the George Meany Labor Studies Center, attempted to address that misapprehension.

## Oral history

Hoffman called the oral history project valuable because it broadened and contributed to the understanding of the 1955 merger. Discussions of the friendship between Mrs. George Meany and Mrs. David Dubinsky and their husbands' relationship, for example, added "a humanizing dimension to the events."

The interviews also "make a powerful statement on the seminal role of George Meany in the merger process," Hoffman stressed. Throughout the interviews, it was clear that Meany was essential to the agreement and process of merger, she said.

Hoffman traced the roots of merger to the recognition of both the AFL and CIO that raiding was ineffective and costly.

"When Meany showed AFL leaders that nearly $4.1 million was spent to organized the already organized, with only 8,000 new members to show for their efforts, those hard figures showed how counterproductive raiding was," she noted.

On the CIO front, she pointed out, rivalry between Walter Reuther and Steelworkers President David McDonald threatened the survival of the CIO, pushing it toward merger.

Hoffman noted that merger of state and local organizations was often more difficult than national merger, especially in states where power was nearly equally distributed between the AFL and CIO.

Jacqueline Brophy, an associate at the George Meany Labor Studies Center who reviewed the Michigan AFL-CIO merger, agreed.

She noted that the national merger agreement allowed two years for state organizations to merge. While some acted right away, Michigan was one of 14 that missed the deadline.

Brophy cited "different orientations" and politics as the key stumbling blocks to merger, noting that the state AFL leadership was close to the Republican party while the state CIO was active in rebuilding the Democratic party.

The state CIO, dominated by the Auto Workers, differed greatly from the AFL which was heavily influenced by the Teamsters and Detroit Local 299 President James Hoffa, she said.

Hoffa already was under fire from the ethical practices committee formed under the AFL-CIO's national merger agreement, Brophy noted. "He used his influence to block merger in the state," she said.

The Michigan AFL-CIO was born when George Meany rescinded the charters of both organizations in 1957 and called a new constitutional convention, "with tremendous turnout," Brophy said.

## Duplication ended

Kenneth Young, executive assistant to AFL-CIO President Lane Kirkland pointed out that merger meant an end to duplicate state, local and national organizations, union raiding and much confusion among rank and file workers.

He noted that the federation has become the focal point of the modern labor movement, with affiliated unions providing direct access to rank-and-file members that would not have been possible 30 years ago. The regional conferences, the "one-on-one" program, the political endorsement process, and union membership surveys all result from a sense of stability and security organized labor has enjoyed since 1955.

Young termed the labor movement more open to change, new ideas and new concepts than at any other time in its history. Recognizing that society and the workforce has changed, labor will alter its traditional collective bargaining goals to concentrate more on health care, flextime and other working conditions, Young said.

But "doing better for working people" should remain labor's principal goal into the AFL-CIO's next 30 years, he concluded.

# House rejects Reagan cuts in college student programs

The Reagan Administration's attempt to slash loans and grants for college students was rejected—overwhelmingly—by the House.

It approved by a bipartisan 350-67 vote a five-year extension of higher education programs the Administration sought to curtail drastically. The Reagan budget proposed to cut college aid by about 25 percent and end guaranteed loans to students from middle-income families.

The budget cut was described by an Administration spokesman at the time as marking "a major philosophical shift" by returning the burden of college costs to parents and students.

Instead, the House renewed the program with some liberalization—including an increase in the loan limit for college juniors and seniors and a longer grace period after graduation before repayment must start—but made other changes to hold down costs.

Pell grants, which are available to low-income students to cover up to 60 percent of college costs, would rise from the existing $2,100-a-year ceiling in $200-a-year increments to $3,100 in fiscal 1991. About 2.6 million students now receive Pell grants.

## Increased limits

The guaranteed loan limit would remain at $2,500 a year for freshmen and sophomores, but would double to $5,000 for juniors and seniors. The existing 5 percent loan origination fee would be phased out, dropping 1 percent a year. But the subsidized interest rate of 8 percent would rise to 10 percent in the fifth year of repayment, when college graduates are expected to be able to afford larger payments. The bill would also tighten loan collection procedures.

Funding would be continued for work study programs, but the institutions would be required to match a larger share of the cost. Their present 20 percent share would go to 25 percent in the 1989-90 academic year and to 30 percent the following year.

Also in the bill is a new program, with a $110 million authorization, to strengthen historically black colleges and universities and assist minority students in science and engineering studies.

The Administration is expected to press the Senate to make cuts the House rejected, but education assistance has traditionally carried substantial bipartisan support.

# Senate ducks curb on PAC spending

The Senate set aside a campaign reform bill that sought to curb the influence of free-spending political action committees, but left open the possibility of action in the second session.

Sen. David L. Boren (D-Okla.) sought to force a vote on his reform bill by offering it as an amendment to an unrelated measure the Senate was considering.

The Boren bill would move in a direction the AFL-CIO supports by limiting the amount of campaign funds candidates for Congress can receive from political action committees.

It also would reduce the amount a PAC can contribute to any candidate and tighten rules governing independent spending by a PAC to support or oppose a candidate for federal office.

There is now no ceiling on the total amount a candidate can receive from the multitude of political action committees. Boren's bill, which is cosponsored by Sen. Barry Goldwater (R-Ariz.), would put a $100,000 ceiling on total PAC contributions to a House candidate, or $125,000 if there was also a contested primary election. The Senate ceiling would be based on the state's population, with a maximum of $750,000.

The amount that could be contributed by a PAC to a single candidate in a primary or general election would be trimmed from the present $5,000 to $3,000. However, Boren would let the ceiling on an individual contribution rise from $1,000 to $1,500, which the AFL-CIO has opposed.

Averting an immediate showdown, which probably would have led to the tabling of the Boren amendment, an agreement was reached to send the bill to the Senate Rules Committee for hearings that Chairman Charles McC. Mathias, Jr. (R-Md.) promised to hold early in the new year. But Senate Majority Leader Bob Dole (R-Kan.) refused to make a firm commitment that a committee-approved bill will be scheduled for floor action.

According to just-released figures compiled by the Federal Election Commission, some 3,000 political action committees contributed a total of $113 million to candidates for Congress in 1984, with about 70 percent going to incumbents.

Corporations and trade associations led in congressional contributions, followed by union political action committees.

By far the biggest spender was the National Conservative Political Action Committee, which used much of its $19.3 million in outlays for "independent" negative advertising opposing liberal incumbents. Such expenditures do not count as campaign contributions for the opposing candidates. Two other right-wing PACs were next in line—the Fund for a Conservative Majority and the National Congressional Club set up by Sen. Jesse Helms (R-N.C.).

# Texas unions to launch savings association

Houston—The Texas labor movement is planning to organize a savings and loan institution here to support union-built construction projects and other activities that will benefit unions in the state.

Joining forces in the venture are the Texas AFL-CIO, the Building Trades Council, the Industrial Union Council and the Houston Gulf Coast Building Trades Council.

In announcing the decision to seek a federal charter, Texas AFL-CIO President Harry Hubbard said that the financial institution should be in operation within a year.

"Our intention is to offer union members every service that competing financial institutions offer," Hubbard said. The savings and loan will have "a 100 percent union workforce" and will open branches in every Texas community "where there are enough union members to support an institution of this kind," Hubbard said.

Serving on the board will be former Labor Sec. Ray Marshall, now a professor at the University of Texas in Austin, and Calvin Guest, former president of the Bryan Savings & Loan Association. They have served as advisers to the labor movement in organizing the financial institution.

AFL-CIO news

VOL. 30, NO. 50
SATURDAY
DECEMBER 14, 1985

The 1986 LABORITE

PAGE 3

# House broadens hazardous waste cleanup program

The House voted to expand the labor-supported toxic waste disposal program and to replenish the "superfund" that finances the cleanup.

Funding will continue to come primarily from higher taxes on petroleum and chemical producers, the chief sources of toxic contamination. The oil and chemical industries lobbied hard to spread the cost to all types of manufacturing through a form of value-added tax, but lost on a key 220-206 vote.

The AFL-CIO had attacked the value-added concept as a form of national sales tax that would shift the cost largely to middle-income and low-income consumers. It would be an inefficient as well as a regressive means of funding the program, Legislative Director Ray Denison wrote House members.

The oil-chemical lobby had better success in the toxic waste bill the Senate passed last September, and the funding mechanism is a major issue to be resolved in a House-Senate conference.

Also to be resolved is the size of the superfund. The cleanup program was launched in 1980, after the Love Canal contamination had dramatized the environmental threats of abandoned hazardous waste sites. The superfund to pay for the cleanup of sites when those responsible for the dumping could not be found was allocated $1.2 billion for its first five years.

Hazardous waste dumps were found to be more widespread and the health risk greater than had been anticipated. The cleanup program got off to a slow start, marred by scandals in the Environmental Protection Agency that included sweetheart deals that let polluters escape liability for their dumping.

After the ouster and resignation of more than 20 EPA officials, including Administrator Anne Burford and Assistant Administrator Rita Lavelle, the program got back on track.

### Only 6 cleaned up

But only six toxic dumps had been cleaned up when the program expired at the end of September, and there was near-unanimous agreement that it should be renewed and expanded. The Reagan Administration proposed $5.3 billion over the next five years, the Senate bill raised the amount to $7.5 billion, and the House set a $10 billion total.

The legislation would require the Environmental Protection Agency to begin a cleanup of at least 600 hazardous sites during the next five years. Cleanups would have to meet standards of environmental laws such as the Clean Water Act. A provision sought by the AFL-CIO establishes special training for workers employed in the cleanup of toxic sites.

Communities near chemical plants would be assured the right to know what chemicals are being handled or stored in the facilities.

The right-to-know provision was strengthened by the 212-211 adoption of a labor-supported amendment. The House, however, rejected another labor-backed amendment that would have set up a procedure for persons injured by hazardous substances to sue in federal court for damages.

Under the House-passed financing provision, the Superfund would raise about $3.1 billion from a tax of 11.9 cents a barrel on crude oil, another $2 billion from chemical feedstock taxes, $2 billion from a waste disposal tax, smaller amounts from various other special taxes and $1.6 billion from general tax revenues.



## Pushing tax reform

Wheelbarrow full of petitions with one million signatures for tax reform is delivered to House Ways & Means Committee Chairman Dan Rostenkowski in support of legislation to close loopholes that allow profitable corporations to avoid paying a fair share of taxes. Union members across the country helped circulate the petitions from Citizens Organized to Restore an Effective Corporate Tax. (Story, Page 8.)

# Recovery stalls with 8.3 million still out of work

Unemployment stood at 7 percent in November, a slight dip of one-tenth of 1 percent from the previous month, leaving more than 8.3 million Americans still out of work and another 5.5 million involuntarily working only parttime.

A significant factor in the decline was the shrinkage in the labor force last month—down 92,000 from October—the AFL-CIO pointed out.

With the economy choking on a glut of imports and reeling under the impact of the record-smashing trade deficit, much of the reduction can be traced to manufacturing workers leaving the labor force because jobs aren't available, AFL-CIO economist Henry Schechter said.

The Bureau of Labor Statistics will not update its figures on discouraged workers until next month. At the end of September, more than 1.2 million Americans fell into this category.

Almost obscured by the unemployment

Continued on Page 2

# *Congress enacts scheme to force balanced budget*

By David L. Perlman

Congress passed and President Reagan immediately signed into law a balanced budget requirement that the AFL-CIO warned could send the economy into a tailspin at the first sign of a recession and gravely weaken the ability of government to meet domestic and military needs.

Despite widespread skepticism, the Gramm-Rudman amendment to the debt limit bill passed the Democratic House almost as easily as it had the Republican Senate.

It sets a rigid timetable of annual reductions in a deficit that has grown to $200 billion a year as the result of the heavy tax cuts and huge defense increases under President Reagan. The zero-deficit balanced budget is supposed to be achieved by 1991.

If Congress is unable to meet the deficit reduction figure for any year, the President must impose across-the-board cuts in federal spending, half in the military segment of the budget and half in domestic spending. The self-financing social security system and some safety-net programs for the needy are exempt from cuts, but other needed programs would be on the chopping board.

Deficit reduction could be achieved by closing tax loopholes as well as spending cuts, but it won't be if the President has his way. Reagan said he will veto any new taxes and has insisted that tax reform legislation be "revenue-neutral."

The balanced budget measure was shaped originally by Republican Senators Phil Gramm of Texas and Warren B. Rudman of New Hampshire, with Democrat Ernest F. Hollings of South Carolina as a cosponsor. As the AFL-CIO Executive Council noted, "its radical changes in our government structure" were not considered by any committee before they came to the Senate floor.

### Reagan's red ink

Republicans saw it as a defense against Democratic attempts to tie the huge Reagan budget deficits around their necks.

The White House, which had given lip service to a balanced budget constitutional amendment even as Reagan was sending his red-ink budget proposals to Congress, embraced the idea. Conservative ideologues around Reagan saw it as a way of forcing the elimination of government programs Congress had refused to abolish.

Only later would the Administration realize the implications of mandatory budget cuts on defense programs that Reagan wanted to expand. But after waffling for the better part of a week, Reagan opted for the balanced budget timetable even though Defense Sec. Caspar Weinberger was saying publicly that it would be a disaster.

Reagan's comment, the night before Congress took final action on the measure, was that he "heartily" endorsed it, but was "concerned" that "it could have adverse effects on maintaining adequate levels of defense spending." Reagan again insisted that the cause of the deficit was too much government spending, not inadequate tax revenue.

The Senate approved the budget-slashing mandate by a 61-31 vote, with Democrats split down the middle. Twenty-two Democrats joined 39 Republicans to support the bill; 22 Democrats and nine Republicans opposed it.

Continued on Page 7

# Armour workers supported on backpay, rehiring claims

By Gene Zack

The National Labor Relations Board has given ConAgra Inc. the choice between negotiating with the Food & Commercial Workers on the rehiring of 800 former employees of Armour Food Co., which the midwest conglomerate acquired two years ago, or facing one of the largest hiring discrimination suits in history.

NLRB General Counsel Rosemary Collyer informed union and management attorneys that she was prepared to issue an unfair labor practice complaint unless the company comes to terms with the UFCW for the workers at plants reaching from San Francisco to Charlotte, N.C.

At issue is some $40 million in back wages, benefits and accrued interest—or about $50,000 per worker—the union estimated.

UFCW President William H. Wynn hailed the board's action, declaring that "it sends a clear message to other employers that they cannot violate workers' rights with impunity."

ConAgra purchased 39 Armour meatpacking plants and distribution centers from Greyhound Corp. in December 1983. Among them were 13 plants covered by a UFCW master contract providing a base rate of $10.69 an hour. When ConAgra reopened 12 of the plants two days later, it hired new non-union workers at between $5.50 and $6.50 an hour.

The conglomerate "deliberately failed to offer employment" to the unionized workers, said Jerry Mayer, NLRB assistant general counsel, in order to "avoid incurring an obligation to bargain" with the UFCW. ConAgra's clear intent, he said, was to hire less than a majority of the former employees at each of the plants.

The union pointed out that in some

Continued on Page 2

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# Delegates map AFA contract, growth goals

San Francisco—The Flight Attendants' convention charted a bargaining course for 1986 and developed an action plan to address the AFA's concerns in the not so "friendly skies" of airline deregulation.

The union's new flight plan includes an organizing campaign that specifically targets non-union carriers formed after deregulation and a stepped-up communications network for local unions.

AFA President Linda Puchala noted that the union will sit down at the bargaining table next year with 13 of the 15 carriers AFA represents and urged local unions to begin preparations for those sessions.

Delegates voted to set up local communications committees and media training sessions for attendants and established a series of educational workshops on contract issues to prepare for the 1986 bargaining sessions.

Delegates also voted to affiliate the AFA with the Food & Allied Service Trades Dept.

Airline deregulation was a major concern among the delegates, and AFA Vice President Susan Bianchi Sand pointed out that since 1979 when regulations were lifted, "employees are earning up to one-third less, but are being twice as productive."

She said industry surveys indicate nearly 85 percent of the total airline market soon will be controlled by only six or seven carriers, and that AFA members will feel the effects of rapid consolidation.

### Merger mania

"Decisions to merge will be made on whether you can buy an airline, not whether you can run it. Employees will be fighting for a job and seniority against each other, and unions will be left to clean up the mess," Sand warned.

Other sessions covered safety issues, legislative training, workshops for local union members and the National Right to Work Committee's attacks on the Railway Labor Act.

The delegates also paid special tribute to the five Trans World Airlines attendants who were hijacked to Beirut, Lebanon, last summer. They were honored for their courage and the contributions they made to their profession.




Congressmen join IAM members on picket line at the U.S. Capitol.

# *Capitol Hill food workers hit evasion on bargaining*

Protesting a double standard under which Congress enacts legislation to safeguard American workers but exempts itself from the law's coverage, employees of the House restaurants and cafeterias set up a picket line on the Capitol steps.

More than 75 percent of the 200 Capitol restaurant employees have designated the Machinists as their bargaining agent, but their supervisor, Capitol Architect George White, has rebuffed repeated requests to negotiate a contract.

Carrying signs proclaiming "Justice Denied House Restaurant Employees," and "If Unions Are Good for Poland, Why Not the House of Representatives?" the 50 unionists were joined on the informational picket line by several House members, including Representatives Barbara Mikulski (D-Md.), Ron Dellums (D-Calif.), Mickey Leland (D-Tex.), Don Edwards (D-Calif.), William Clay (D-Mo.), Mervyn M. Dymally (D-Calif.) and Charles A. Hayes (D-Ill.)

Clay and Edwards are spearheading a drive to secure bargaining rights for the restaurant workers. In a letter to Rep. Frank Annunzio (D-Ill.), chairman of the House Administration Committee which has jurisdiction over the matter, the congressmen accused White of employing "every imaginable stonewalling tactic" to avoid granting union recognition.

IAM President William Winpisinger, in a letter to all House members, declared that "Congress may exempt itself from the provisions of this country's labor laws, but it cannot exempt itself from a moral and ethical obligation to deal with its employees by the same standards it has prescribed for all other employers."

The average wage of the restaurant employees is $5 an hour, they have no effective grievance procedure, and the promotion system "absolutely reeks," the IAM said. Although 80 to 85 percent of the workers are black and 70 to 75 percent are women, most of the promotions go to white males, the union charged.

# 'Recovery' leaves 8.3 million jobless

Continued from Page 1

statistics was the report that only 31 percent of all workers eligible for unemployment insurance were receiving benefits as of mid-November.

The BLS attributed this to three things: tighter state eligibility requirements, the back-to-back 1980 and 1981-82 recessions which left many workers without enough time on the job to be eligible for benefits, and the large proportion of women in the job market who haven't worked long enough to qualify for unemployment compensation.

Schecter said there was another reason. The number of those unemployed 26 weeks or longer increased from 14.6 percent in October to 16.3 percent in November. "These workers have exhausted their benefits," he said, "but the economy hasn't found a place for them."

Although total nonfarm employment increased 182,000 from October to November, the AFL-CIO pointed out, 154,000 of the new jobs were created in service-producing activities and only 28,000 in goods producing.

The Administration boasted that 10 million new jobs had been created since the depths of the Reagan Recession in November 1982. But only 2 million of the jobs were in the goods-producing sector, as workers went back to their jobs after extended layoffs, while more than 7.7 million were in services.

The BLS report showed that the unemployment rates of 6 percent for adult men and 6.4 percent for women were unchanged from the previous month. Among white workers, the rate edged down from 6.1 to 5.9 percent, but among blacks it rose from 15 to 15.9 percent.

For teenagers, the overall rate declined from 20.1 to 18.4 percent. For black teenagers it rose from 39.7 to 40.9 percent.



## Frontlash leader feted

Jessica Smith, past executive director of Frontlash, chats with AFL-CIO Sec.-Treas. Thomas R. Donahue and the organization's new director, Joel Klaverkamp, left. Smith, who is now organizing director for the Seafarers, was honored at a Washington reception for her contributions to the labor movement during her five years as head of the youth support organization.

## William Gomberg dies, economics consultant

Philadelphia—William Gomberg, labor economist and industrial engineering consultant to a number of unions, died of cancer Dec. 8 at the age of 74.

Gomberg's association with the labor movement dates from 1934, when he established the management engineering department of the Ladies' Garment Workers.

He retired from the University of Pennsylvania's Wharton School in 1982 as professor-emeritus, and until recently served as an international economic consultant to the AFL-CIO Dept. of International Affairs.

Federation President Lane Kirkland and Sec.-Treas. Thomas R. Donahue wrote Gomberg's wife, Adelaide, that "his knowledge and judgment were a valued asset to the cause of working people at home and abroad."

# Meat packers supported on jobs, back pay

Continued from Page 1

plants, information about job applications and interviews was not posted before the shutdown. In at least one plant, workers were told that they would not be rehired because the new owners did not want the union in their plants.

According to the NLRB, three of the plants hired none of the veteran workers and no more than 15 percent of the union members was rehired at any one installation. Company-wide, a board spokesman said, only 10 percent of the UFCW members got their jobs back.

### Call for recognition

Wynn called on management to recognize the UFCW as the collective bargaining agent for ConAgra's Armour workers, adding:

"It is now clear that, but for the company's unlawful discrimination against UFCW members, the UFCW would have represented a majority of workers hired by ConAgra when it commenced operations in the plants formerly covered by a master agreement" between Armour and the union.

In addition to the San Francisco and Charlotte plants, the pending suit covers Armour workers in Chicago, Pittsburgh, Kansas City, Portland, Ore., Nampa, Idaho, Mason City, Iowa, Arlington and Garland, Tex., Norfolk, Va., Eau Claire, Wis., and Mobile, Ala. All were reopened by ConAgra except the Pittsburgh facility.

## Cable firm slapped for wage chiseling

A Birmingham, Ala., cable television company has been found guilty of discriminating against unionized workers by granting them smaller merit wage increases than those given non-union employees with similar performance evaluations.

The company violated federal labor law by giving non-union workers raises of $10 to $35 a week in October 1983 while limiting union members to raises of only $5 to $10, the National Labor Relations Board said.

It ordered the employer to grant union workers retroactive increases to bring them up to the level of non-union employees with comparable evaluations.

The case was brought by Communications Workers Local 10902 against Leeds Cablevision, Inc., and Cablevision, Inc., two affiliated suppliers of cable television services. The companies were considered a single employer because they shared common officers, management, ownership, and control over labor relations.

## R-T-W state fails in bid to nullify union-shop pact

In a sharp rebuff to Virginia's "right-to-work" law, a federal court has upheld the union-shop provision in the Amalgamated Transit Union's contract with the transportation network that serves the District of Columbia and its Virginia and Maryland suburbs.

U.S. District Court Judge James C. Cacheris held that the transit system and ATU Local 689 had "the authorization to enter into a union-shop agreement" for the 5,600 Metro bus drivers, subway operators and mechanics, 700 of whom work in Virginia.

The state had challenged the contract provision, which has been in effect since 1972, insisting that the transit workers in Virginia were barred from the protections included in the agreement because of the state's compulsory open-shop law.

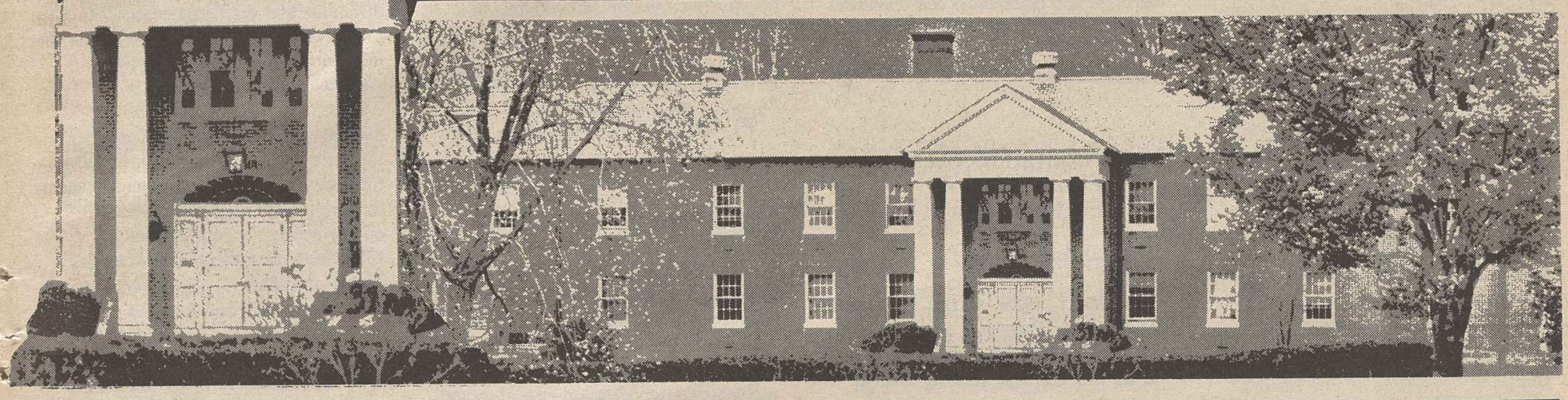
Judge Cacheris brushed the argument aside, pointing out that the Metro system was established under a congressionally approved interstate compact. Federal law, he said, supersedes state law.

The Virginia attorney general's office said that no decision has been made on whether to carry the case to a higher court. But Mark A. Rosen, the ATU's attorney, called the ruling "a clear-cut victory that should discourage any appeal."

The 1986

# LABORITE

Published occasionally for the alumni and friends of the George Meany Center for Labor Studies, Inc.



# Labor studies for union leaders

The George Meany center will offer leaders of AFL-CIO affiliates 34 opportunities to sharpen their skills during the first six months of 1986. Dates and course descriptions appear on the following three pages.

An application to register for any of these institutes is on the third page. There is no charge for tuition to any of these courses.

The classes will focus on activities and skills asked of almost every union officer and staff employee. In addition to the institutes on personal development organizing, collective bargaining and union building, this year's subjects include: The Craft of Negotiating, Individual Rights in the Workplace, Organizing Techniques for Public Employees, Working Women's Concerns, the Elements of Persuasion, TV: The Cool Medium, and Advanced Teaching Techniques.

All but three of the 36 classes will meet at the Silver Spring, Md., campus of the Meany Center. Off-campus institutes are scheduled for the University of Oregon, Eugene, and for Phoenix, Ariz.

In addition to these institutes, open to all fulltime leaders of AFL-CIO unions, affiliated unions have scheduled 25 training session and conferences at the George Meany Center during the next six months.

The American Institute for Free Labor Development has scheduled three programs for Latin American trade unionists. The African-American Labor Center will bring African trade unionists to the campus in April.

The Center will try to accommodate any AFL-CIO affiliate that wants to use the campus for its own leadership conference or staff training session. Anyone interested should get in touch with Robert Pleasure, executive director, George Meany Center, 10000 New Hampshire Avenue, Silver Spring, Md.; telephone 301/431-6400.

**George Meany Center for Labor Studies, Inc.**

10000 New Hampshire Avenue
Silver Spring, Maryland 20903
301/431-6400

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United Food and Commercial Workers

## George Meany Center Calendar

Enrollment is open for institutes and programs listed in **Black type.** See next pages for course descriptions and registration form.

### JANUARY

**5-9**
**Pension Trustee Training for Public Sector Unions**

5-10
American Federation of Teachers

**12-17**
**The Craft of Negotiating**

12-17
Brotherhood of Railway & Airline Clerks

12-17
AFL-CIO Department of Community Services

**19-24**
**Teaching Techniques in Labor Education**

**19-24**
**Arbitration Techniques: Preparation & Presentation**

19-Feb. 21
American Institute for Free Labor Development #124

**26-31**
**Arbitration Techniques: Preparation & Presentation at University of Oregon**

**26-31**
**College Degree Program Week in Residence**

### FEBRUARY

**2-7**
**Labor Law**

**2-7**
**Psychology of Leadership**

2-7
Association of Flight Attendants

**2-7**
**Organizing in the Construction Industry at Phoenix, Ariz.**

**9-14**
**Contract Negotiations: Private Sector**

**9-14**
**State County & Municipal Employees**

**14-20**
**The Newspaper Guild**

**17-21**
**Alcohol & Drugs: Standards of Discipline & Discharge**

18-21
International Association of Fire Fighters

**23-28**
**Newswriting & Editing for Union Publications**

**23-28**
**Arbitration Techniques: Preparation & Presentation**

**23-28**
**Organizing Techniques for Public Employees in Certified Units**

### MARCH

**2-7**
**Fact Finding & Interest Arbitration**

**3-13**
**Advanced Organizing**

3-6
AFL-CIO Department of Organization & Field Services

9-12
Association of Flight Attendants

9-14
Brotherhood of Railway & Airline Clerks

**9-14**
**Organizing in the Construction Industry at University of Oregon**

9-Apr. 11
American Institute for Free Labor Development #125

16-17
AFL-CIO Housing Investment Trust

**16-20**
**Computers for Local Unions**

16-21
American Federation of Teachers

23-28
Food & Commercial Workers

23-28
Service Employees

### APRIL

1-4
East Coast District Metal Trades Council

**6-9**
**Television: The Cool Medium**

**6-10**
**Effective Union Action for Civil Rights**

**13-18**
**Union Issues for Working Women**

**13-18**
**Organizing Techniques**

**13-18**
**The Evolution of Work**

13-18
State, County & Municipal Employees

20-25
Brotherhood of Railroad Signalmen

**20-25**
**Planning & Funding Labor Education Programs**

20-25
Asian-American Free Labor Institute

20-May 9
African-American Labor Center

**27-May 2**
**Arbitration Techniques: Preparation & Presentation**

**27-May 2**
**Organizing in the Construction Industry**

27-May 30
American Institute for Free Labor Development #126

### MAY

4-9
Brotherhood of Railway & Airline Clerks

4-9
Association of Flight Attendants

11-14
Brotherhood of Railway & Airline Clerks

**11-16**
**Advanced Editing Techniques**

**11-16**
**Negotiating Contracts with State & Local Agencies**

**18-22**
**Computers for Local Unions**

**18-23**
**Making Your Case: The Elements of Persuasion**

27-31
International Union of Electronic Workers

### JUNE

1-6
United Food & Commercial Workers

1-6
American Federation of Teachers

1-6
Service Employees International Union

8-10
Labor Song Exchange

**8-13**
**Labor Law**

**8-13**
**Individual Rights in the Workplace**

**8-13**
**Advanced Education Techniques**

15-20
Association of Flight Attendants

15-20
International Union of Bricklayers

**15-20**
**Negotiating for Employee Benefits**

15-July 18
American Institute for Free Labor Development #127

**22-27**
**Occupational Health & Safety**

22-27
Graphic Communications International Union

**29-July 3**
**Alcohol & Drugs: Standards of Discipline & Discharge**

# George Meany Center Institutes January to June 1986

## ★ Pension Trustee Training for Public Sector Unions

**Jan. 5-9, 1986**

This four-day institute, co-sponsored by the AFL-CIO Public Employee Department, is for full time union officers and staff of public employee unions who are serving, or expect to serve, as pension fund trustees, as a result of collective bargaining or legislation.

The program will focus on: The basics of pension plan structure and operation; analysis of actuarial, trustee and other financial reports; pension fund investment performance; and a review of public sector union activity.
*Coordinators: Richard Dwyer and Jeffrey Macdonald*

## ★ The Craft of Negotiating

**Jan. 12-17, 1986**

In difficult economic and social climates, union leaders can maximize existing bargaining strength through skillful negotiating techniques. This institute, on The Craft of Negotiating, will explore successful techniques.

Negotiations between trade union administrators and lawyers, merchants, and providers of services will be discussed. Negotiating theory will be explored. The aim is to improve the skill of the participants in collective bargaining, grievance handling and union administration.

Maximizing opportunities for successful settlements through negotiating tactics will be distinguished from approaches that lead quickly to impasses.

The recommendations of the *Harvard Negotiating Project* and similar negotiating theories will be discussed and evaluated.

This institute differs from courses in negotiating techniques in that The Craft of Negotiating Institute will focus on sharpening individual skills and developing tactics for all types of negotiations at the bargaining table, in grievance resolution, and in everyday administration and leadership situations. Videotaping will be used to help participants identify their own strengths.
*Coordinator: Robert Pleasure*

## ★ Teaching Techniques in Labor Education

**Jan. 19-24, 1986**

This institute explains and demonstrates the techniques most commonly used in labor education. It is designed for those who teach in union conferences, summer schools or night classes. Cosponsored with the AFL-CIO Department of Education, this is a basic institute for union staff members who want to upgrade their teaching skills.

Individual sessions will demonstrate techniques—lecture, discussion, buzz groups, role playing, films, and use of materials. This institute will emphasize techniques to get students talking and hold their interest. Practice teaching is part of the program.

In today's labor movement, many union staff members are teaching their specialty although they do not have "education" as part of their titles. Unions have specialists in health and safety, women's concerns, legislative issues, grievance handling, communications, financial procedures, community services and other areas that members need to know about.
*Coordinators: Marjorie Rachlin and Richard Dwyer*

## ★ Arbitration Techniques: Preparation & Presentation

**Offered four times:**

**Jan. 26-31, 1986, at the University of Oregon, Eugene, and Jan. 19-24, Feb. 23-28, and Apr. 27-May 2, at the George Meany Center**

The way to learn to prepare and present grievance cases to an arbitrator is to do it. That learning is best done at an institute such as this when a union member's future is not at stake.

This institute concentrates on the presentation of mock cases before professional arbitrators who are willing to share their knowledge.

During the week, there are practice sessions on the preparation of cases, the techniques of presentation with emphasis on two areas that union representatives find difficult: opening statements and handling witnesses.

Participants tell us that the most helpful part of this week is the videotaping of the mock arbitration proceeding, with the playbacks for analysis and discussion. The arbitrator who has heard the cases takes charge of this session.

Discussions focus on what matters can be arbitrated, the selection of arbitrators and the law of arbitration. Since discipline and discharge cases cause more than half of all grievance arbitrations, special attention is paid to the investigation of such cases and to the rules that arbitrators use.

This institute is for union representatives assigned to arbitration. It will help experienced representatives analyze and brush up on their techniques. Those who concentrate on the final steps in the grievance procedure will find it helpful.
*Coordinator: David Alexander*

## ★ Psychology of Leadership

**Feb. 2-7, 1986**

Your success as a union leader is directly related to your ability to work with people. Leadership is a craft that can constantly be improved. This institute is intended to help you become a stronger, more popular leader.

You'll learn to recognize and evaluate your own leadership characteristics, skills and style.

You'll see yourself as others see you; public speaking sessions will be videotaped and played back for you. A speech coach will make suggestions.

You'll understand how committees and other work groups reach decisions and how they can be influenced.

You'll create a simulated work team using techniques that illustrate how team members are motivated.

You'll learn how to handle anger in yourself and others.

Here is an opportunity to increase your leadership ability by expanding your understanding of yourself and others.
*Coordinator: Gene Morrill*

## ★ Labor Law

**Offered twice:**

**Feb. 2-7 and June 8-13, 1986**

Laws affecting responsibilities in bargaining, servicing and union administration will be the focus of the Labor Law Institute. Organizing law will not be covered so that the participants can concentrate on a thorough examination of laws affecting internal union administration and collective bargaining, including the problems arising from bankruptcies and plant closings.

Major topics to be covered are:
**Laws dealing with internal union affairs**—Three aspects of Labor-Management and Disclosure Act (Landrum-Griffin): members' rights

(Title I), election procedures (Title IV) and current enforcement practices under Title II, the reporting provisions.

**The duty of fair representation**—The union's obligation to represent fairly all workers in the bargaining unit on grievances, in negotiations, and other activities concerning job rights.

**Laws affecting bargaining**—Basics of the Taft-Hartley provisions on exclusive representation, duty to bargain, access to information, the laws affecting strikes, lockouts, picketing and boycotts. New developments in the law affecting bankruptcy, plant closing and successorship will be emphasized.

**Equal opportunity obligations**—Laws, regulations and court rulings on what constitutes "discrimination" and their impact on contracts. Instructors will deal with issues such as discrimination, comparable worth, affirmative action and pregnancy disability.
*Coordinator: Lawrence Rogin*

## ★ Contract Negotiations: Private Sector

**Feb. 9-14, 1986**

This institute on the techniques of contract negotiating is for full-time officers and staff who negotiate agreements in the private sector.

Early sessions will discuss the role of the chief negotiator at different points in the bargaining process including: the preparation and design of initial proposals, developing commmittee work and record-keeping procedures, the structure and function of opening statements, styles of language and economic bargaining, and preparing for and directing the ratification process.

Actual bargaining table tactics such as the timing and structure of counter-proposals; avoiding bargaining bottlenecks; effective communications at the bargaining table and the use of mediation will be developed through the use of case problems.
*Coordinators: Richard Dwyer and Jeffrey MacDonald*

## ★ Alcohol & Drugs: Standards of Discipline & Discharge in Arbitration

**Offered twice:**

**Feb. 17-21 and June 29-July 3, 1986**

This course focuses on the substantive rules develped by arbitrators around discipline and discharge cases. The program complements the Center's courses in Arbitration Techniques and Advanced Arbitration.

Classes will cover just cause in discipline and discharge, proof and evidence in alcohol-related misconduct, off-duty misconduct, proof and evidence in drug-related misconduct and employee assistance programs.
*Coordinators: Richard Dwyer and David Alexander*

## ★ Newswriting & Editing for Union Publications

**Feb. 23-28, 1986**

Here's an opportunity for a union editor to get some coaching on the basics of newswriting and editing and to pick up ideas from other union editors on how a publication might be made more effective. Classes will focus on newswriting, feature writing, headline writing, photo editing and makeup and layout.

Participants will hear specialists on:

- How to make a union publication more readable, more credible and more useful to union members;
- How to cope with problems of delayed mail deliveries and skyrocketing postal rates;
- How to avoid suits for libel and slander, copyright infringement, and violations of the Landrum-Griffin Act.

This workshop is co-sponsored by the International Labor Communications Association. It is open to any union editor or would-be editor of a local, district council or state publication.
*Coordinator: Gordon Cole*

## ★ Organizing Techniques for Public Employees in Certified Units

**Feb. 23-28, 1986**

This institute will study successful methods of attracting and signing public employees in units where the union is already the certified bargaining agent. The class, co-sponsored by the AFL-CIO Public Employee Department, will concentrate on the basic attitudes and concerns of public workers and techniques to identify and develop internal organizing issues.

Case problems will be used with participants working in small groups on different organizing situations for which they will develop short and long-term strategies. Their conclusions will be examined and critiqued by the group.

Sessions will be devoted to recruiting, developing and rewarding internal organizing volunteers and new programs to attract members.
*Coordinator: Jeffrey MacDonald*

## ★ Fact Finding and Interest Arbitration

**Mar. 2-7, 1986**

Many states require fact finding as an impasse procedure in public employ-

ment. Interest arbitration is often required in the protective services and a few states require it for all public disputes.

Participants will analyze the experience with the various forms of interest arbitration and fact finding, and discuss the strategies that are most effective with each. Participants will engage in a simulation, so that they get practical experience in handling of current issues in front of a neutral.
*Coordinator: Lawrence Rogin*

## ★ Advanced Organizing

**Mar. 3-13, 1986**

This two-week workshop is cosponsored by the AFL-CIO Department of Organization and Field Services. Those who want to participate should apply to their own union's director of organizing or to the international union officer in charge of organizing.

The international unions nominating individuals to attend this workshop will send those names to the AFL-CIO Department of Organization where a final selection will be made. Organizers, whatever their titles, who supervise and direct organizing staffs will be given priority.

This program places heavy emphasis on short and long-term targeting and resource allocation strategies along with the effective training, development and direction of organizing field staff.
*Coordinators: Jeffrey MacDonald and Russell Allen*

## ★ Organizing in the Construction Industry

**Offered three times:**

**Feb. 2-7, 1986, at Phoenix, Ariz.; Mar. 9-14, 1986, at the University of Oregon, Eugene, and Apr. 27-May 2, 1986, at the George Meany Center**

The challenge of organizing in the construction industry in the face of the unique employment patterns in the building trades will receive the special attention that it requires.

Multi-employer collective bargaining and benefit systems, the transient nature of work in construction and the unique legal framework create special challenges and opportunities for construction trades organizers.

The institute will assist each participant in exploring the need to match the organizing campaign to the particular customs and practices of that participant's craft and industry.

This institute is offered in cooperation with the AFL-CIO Building and Construction Trades Department.
*Coordinator: Robert Pleasure*

## Nondiscriminatory policy for students

The George Meany Center for Labor Studies, Inc. admits students of any sex, age, race, color, national and ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students at the school. It does not discriminate on the basis of sex, age, race, color, national and ethnic origin in administration of its educational policies, scholarships and loan programs and athletic and other school-administered programs.

## ★ Computers for Local Unions

**Offered twice:**

**Mar. 16-20 and May 18-22, 1986**

This institute is designed to provide union staff with information about the uses of mini and microcomputer systems for their organizations. Uses for union computers will be discussed with suggestions for staff training and computer maintenance.

Classes are taught in plain, nontechnical terms by instructors who are computer specialists and unionists as well. There will be "hands-on" workshop sessions for participants using state-of-the-art minicomputers.

Information will be provided to help union staffs assess their computer needs, and also to give some practical background for dealing with vendors.
*Coordinator: David Alexander*

## ★ Television: The Cool Medium

**Apr. 6-9, 1986**

This is a three-day workshop to coach union leaders who are confronted occasionally by reporters and TV cameras.

Participants will have three exercises facing video cameras: A hostile confrontation, a panel discussion and an in-studio interview.

One session focuses on working with TV reporters—controlling an interview, recognizing deadly questions and avoiding no comment. Another concentrates on relating to the camera: gestures, posture, eye contact, dress and makeup, body language, relaxation techniques and visual aids.

The Labor Institute of Public Affairs assists in the coaching.
*Coordinators: Gordon Cole and Gene Morrill*

## ★ Effective Union Action for Civil Rights

**Apr. 6-10, 1986**

The AFL-CIO Civil Rights Department's annual conference on Effective Union Action for Civil Rights is planned especially for civil rights and women's rights designees of AFL-CIO unions. The conference is useful as well for all union staff members and elected officers.

The conference includes reports and discussion on current issues of civil rights activities and law. Participants have an opportunity to exchange ideas with government officials, with academics and leaders of organizations with a particular commitment to civil rights and equal opportunity.
*Coordinator: Jacqueline Brophy*

## ★ The Evolution of Work and the Labor Movement

**Apr. 13-18, 1986**

This course will examine the unions' role in the changing workplace. Discussion will center on how unions will deal with the new technology, the new workplace, and the new workforce.

Participants will examine new methods of managing the workplace: Quality of Work Life and Employee Involvement programs and the unions' role in these programs.

Strategies unions have adopted for organizing when confronted with such programs will be studied.

The course will analyze the effect of economic dislocation and changing technology on workers and industries. Participants will review union programs to assist workers hurt by economic dislocation, from severance pay and pension rights to transfer rights and retraining. Collective bargaining rights of the union and legislation to assist workers and communities will be covered.
*Coordinators: David G. Alexander and Richard Dwyer*

# Who Is Eligible, General Rules

### Eligibility

To participate in labor studies institutes or programs at the George Meany Center, one must be a full-time officer, representative or staff employee of an AFL-CIO affiliate.

### Registration

Early registration is advised. Labor studies institutes are limited to 25 participants, not more than three from the same union. The Center reserves the right to postpone or cancel any institute.

### Hours

Registration for most labor studies institutes begins at 4 p.m. on Sundays with the first session at 7 p.m. Morning classes begin at 9 a.m. running until noon. They resume at 1:30 p.m. and run until 4:30 p.m. Advance notice will be given of evening events.

### Accommodations

Unless their homes are within commuting distance, participants are expected to live on campus. The campus guest quarters can house 141. Most rooms are singles with queen-size beds; a few are doubles with twin beds. Each room has its own private bathroom and study desk. Maid service is furnished. The rooms are spacious and pleasant. Participants are invited to bring their spouses.

### Meals

Meals are served cafeteria style in the Dining Hall. Breakfast is from 7:30-8:30 a.m.; lunch, 12-1; dinner 6-7 p.m. Wakeup calls are made at 7 a.m. for all students.

### Costs

There is no tuition charge at the George Meany Center. Room and board charge for a student in residence is $70 a day, single occupancy; $50 a day, double. This includes three meals. Students who commute are charged $7 a day to cover lunches at the Center.

### Deposit

A deposit is required with each application for registration in an institute, workshop or program at the George Meany Center. For students who do not live in the area, the deposit is $70 which will be credited to the final bill for room and board. For commuters living in the Washington, D.C., area, the deposit is $35. Those applying for an institute at the University of Oregon, Eugene, must enclose a deposit of $25.

The deposit is refundable if registration is cancelled and notice of cancellation is received by the Wednesday before the program. Please make check payable to the George Meany Center for Labor Studies.

The Center asks each participant to settle for the bill by cash, personal check, American Express, Master Charge, Visa or Bank Americard before leaving the campus.

### Dress

Dress is informal at all times. Those who want to take part in athletic activities should bring sports clothes.

### Discipline

A labor studies institute is no junket. All who come should do so with serious purpose. All sessions start on time. Participants are expected to be prompt. The Labor Studies Center is free to cancel anyone's registration at any time.

### Certificates of Completion

Participants are expected to attend all sessions. The Center will award certificates on the basis of full attendance.

## Application to Register for Labor Studies

**Registrar**
**George Meany Center for Labor Studies, Inc.**
10000 New Hampshire Avenue
Silver Spring, Maryland 20903

_____ (date), **1986**

**Please enroll me in the following institute. Enclosed is a deposit of $** _____

_____ (subject) _____ (dates) _____ (location)

Name of applicant: Mr./Ms. _____ (please print)

Address _____

_____ (city) _____ (state) _____ (zip)

Sponsoring Union _____ ☐ Check Box if fulltime officer or employee or rep.

Applicant's Union Office or Position _____

Office Phone _____ (area code) / _____ _____ (Signature)

**Please enclose a check for $70 per institute as a deposit to be credited to room and board charges. $35 is required of registrants living in the Washington, D.C., area who commute to class. This covers commuters' lunches for one week.**

**A $25 deposit is required for enrollment in institute at the University of Oregon. This deposit will be refunded after the individual has completed the institute.**

**Deposits will be refunded if notice of cancellation is received by the Wednesday prior to the program. Please make all checks payable to the George Meany Center for Labor Studies.**

## ★ Union Issues for Working Women

**Apr. 13-18, 1986**

More women are working, more women are active in unions, and more women need to be organized. These changes have brought greater awareness of the special problems of working women, and unions have responded with a wide range of solutions.

Some of these "women's" issues arise from the segregated structure of jobs and the concentration of women in jobs where pay is low. To deal with this problem unions have been working on pay equity, upgrading, promotions and training, and special health and safety issues such as VDTs.

Maternity, childcare, aging dependents are difficult burdens for women—and men—who must work a regular schedule. Unions are seeking solutions to these problems through parental leave, short-term leave, more child care options.

This program provides facts and perspective and considers the ways unions can approach these issues in bargaining, contract administration and legislative action.

As more women become officers and staff members of their unions they want to upgrade their union skills. They want to understand better the structure and operations of their unions and the AFL-CIO. They are anxious to learn how best to work in the labor movement to make programs successful. During this institute participants take part in sessions to broaden their leadership skills.

*Coordinator: Marjorie Rachlin*

## ★ Organizing Techniques

**Apr. 13-18, 1986**

This program is for full-time international or local staff members who have responsibility for organizing.

Participants will discuss the changing nature of the work force. A simulated organizing exercise will teach the mechanics of an organizing campaign. The exercise will be videotaped so participants can see themselves in action as organizers. You will work with prospective members, interviewing workers to determine interests and issues. You will discuss ways to develop leaders and make an organizing committee work effectively.

The course will cover the law on organizing and Labor Board procedure—from the organizer's viewpoint.

Participants will study anti-union techniques being used by employers and labor relations consultants to defeat workers' efforts to organize. Countervailing measures will be suggested.

*Coordinators: Jeffrey MacDonald and Russell Allen*

## ★ Planning & Funding Labor Education Programs

**Apr. 20-25, 1986**

This institute, co-sponsored by the AFL-CIO Department of Education, will explore methods for helping full-time union officers and staff prepare, develop and fund labor education training programs for union activists. This institute will help unions look at new ways of providing education and training resources and materials to increase the skills of local leaders.

Sessions will cover the development of new material and curricula for training local activists and leaders with emphasis on the use of public schools, university and college facilities.

The institute will examine alternative sources of funding for education and training programs through collective bargaining and foundation grants.

*Coordinators: David G. Alexander and Richard Dwyer*

## ★ Negotiating Contracts with State and Local Agencies

**May 11-16, 1986**

This institute on contract negotiating techniques is for union officers and staff who negotiate labor agreements with state and local agencies. Federal sector negotiations are **not** addressed.

Early sessions will discuss the role of the chief negotiator at different points in the bargaining process including: the preparation and design of initial proposals, developing committee work and record-keeping procedures; the structure and function of opening statements, styles of language and economic bargaining, and preparing for and directing the ratification process.

Actual bargaining table tactics such as the timing and structure of counter proposals, avoiding bargaining bottlenecks, effective communications at the bargaining table and the use of mediation will be developed through the use of bargaining simulations and case problems.

Although fact finding and interest arbitration are frequently an important part of the bargaining process in the public sector, they are addressed in another Center program.

*Coordinators: Jeffrey MacDonald and Richard Dwyer*

## ★ Advanced Editing Skills

**May 11-16, 1986**

This is a class for union editors who have completed the Newswriting and Editing workshop and are ready for more coaching. Instruction will focus on three editing skills:

**Layout and Makeup**—Type selection, making your layout more interesting, symmetrical vs. asymmetrical design, using boxes, legibility, a second color, and copy fitting.

**Picture Editing**—Picture sources, posing pictures, cropping, reducing and enlarging, pairing pictures, picture series, picture pages, line art, screens, silhouettes and writing captions.

**Headline Writing**—Headline type faces, headline type sizes, headline grammar and punctuation, character counting, news and feature heads.

The class will divide into teams, each to produce its own newsletter.

The workshop is limited to 20. Participants will be asked to bring copies of one recent issue for critiquing on layout, pictures and headlines.

*Coordinator: Gordon Cole*

## ★ Making Your Case: How To Argue Persuasively

**May 18-23, 1986**

This course will deal with the subject of evidence and proof and persuasive argumentation in cases union representatives handle: grievance hearings, arbitration hearings, representation cases before the National Labor Relations Board.

Participants will prepare hypothetical cases, present their case to the group, and then hear a critique of how they handled their evidence and their arguments.

The grievance case will be in the pre-arbitration step of the grievance procedure, with a stipulation that the union is seeking a reasonable settlement short of arbitration if at all possible.

In the NLRB case, participants will be briefed on the issues that must be developed by the union at the hearing and what it will take to prove their case.

The arbitration case will involve various types of evidence—exhibits, witnesses—and will follow a discussion of what constitutes convincing evidence.

*Coordinator: Russell Allen*

## ★ Advanced Education Techniques

**June 8-13, 1986**

This program follows the basic institute on Teaching Techniques in Labor Education, a program which concentrates on teaching skills. While that program provides overall training in the fundamentals of labor education for union staff members who are teaching a variety of subjects, this advanced program is a specialized institute focussed on topics of concern to experienced labor educators.

This institute, which is co-sponsored with the AFL-CIO Department of Education, is particularly designed for labor educators and administrators who have responsibility for directing programs.

*Coordinator: Richard Dwyer*

## ★ Individual Rights in the Workplace

**June 8-13, 1986**

The AFL-CIO Executive Council has identified the union need to "continually seek out and address new issues of concern to workers." These new *needs* often go beyond the scope of collective bargaining. Among professional employees, for example, they are becoming a central workplace concern. The desire for the freedom to provide quality work, to be free from abuse, to limit intrusion by employers into personal lives, is now vitally important to many individuals in the workplace. Therefore, it must be of concern to union leaders.

This institute will examine the role of the union representative in protecting the individual rights of union members at work. Emphasis will be on such subjects as workers' rights on the job, the use of polygraph tests, the testing of employees as a condition of employment and collective bargaining agreement provisions relating to alcohol and drug abuse.

The institute will review arbitration and court decisions and their effect on the individual rights of workers.

*Coordinator: David G. Alexander*

## ★ Negotiating for Employee Benefits

**June 15-20, 1986**

This institute is for union staff and officers who have the responsibility of negotiating labor agreements in the private sector and who would like to improve their knowledge and negotiating skills in the area of employee benefits.

Part of the program will be devoted to discussion of two benefit programs—pensions and health insurance.

However, the program will include presentations on group life and disability insurance, group dental, and deferred income programs such as Employee Stock Ownership Plan.

Each benefit area will be looked at in terms of basic plan design, operation and bargaining goals. Recent collective bargaining developments in each area will be reviewed for their impact on bargaining strategies.

*Coordinator: Jeffrey MacDonald*

## ★ Occupational Health and Safety

**June 22-27, 1986**

Every year hundreds of thousands of workers become ill and die as a result of exposure to toxic substances on their jobs. Thousands more are killed in the workplace because of hazardous conditions. And thousands are injured because of unhealthful or unsafe conditions that could have been prevented.

This institute is designed to provide union officials with a range of skills necessary to respond effectively to the complex problems relating to chemical and physical hazards in the workplace.

After this five-day program, a union representative should be able to use a mix of problem-solving approaches: contract negotiations, grievance procedure and arbitration, the National Labor Relations Board, safety and health committees, OSHA inspections, the OSHA appeals process, other government safety and health agencies, and mobilizing community support around health and safety issues.

Participants will be coached in recognizing health and safety hazards, the nature and cause of occupational diseases, relating specific OSHA standards to workplace conditions, worker and union rights under OSHA, using the media for safety and health purposes; and dealing with occupational safety and health issues in negotiating and administering a union agreement.

*Coordinator: Richard Dwyer*

# Degree candidates here for week of January 26-31

Seventy-five officers, staff and other union activists are expected at this year's first week in residence, Jan. 26-31, for those working for Antioch University degrees at the George Meany Center for Labor Studies.

Each person chooses two courses to study for each six-month term. During the week on campus they meet daily with their two professors and do the first written assignments. Then they go home and complete the remaining assignments over the next five months, sending each to the instructors and getting back comments.

Among the subjects offered in the term beginning Jan. 26 are Collective Bargaining, Labor and the American Political System, Labor Movement Past and Present, Labor Law, Economic Policy Issues, American Unions Face the Future, and American Literature of Social Protest.

For more information write to College Degree Program, George Meany Center, 10000 New Hampshire Ave., Silver Spring, Md. 20903.

## Reagan signs bill

# Congress approves rigid budget scheme

Continued from Page 1

In the 271-154 House vote, the bill was supported by 153 Republicans and 118 Democrats, and opposed by 130 Democrats and 24 Republicans.

Some Democrats backed the measure as the only way to force Reagan to accept the inevitability of a tax increase. And some supported it because they feared a political backlash if they voted against a balanced budget.

Some members of both parties argued that the strong and perhaps unconstitutional budget medicine was necessary to bring pressure on both Congress and the President to act more responsibly.

Opponents did not let the historic abandonment of congressional responsibility pass unchallenged.

Rep. David R. Obey (D-Wis.) acknowledged that the efforts of the House conferees had made the original Gramm-Rudman plan "a little more fair." Nevertheless, he warned, it will damage the economy and the nation "in a thousand ways."

### Recession trigger

The final version of the legislation allows Congress to vote on whether to postpone the deficit reduction timetable if the economy is sunk in recession, with a growth rate under 1 percent for two successive quarters. But before that point is reached, Obey noted, unemployment would be rising and government resources would be shrinking. And a post-recession recovery would be retarded by an abrupt return to the deficit reduction timetable, he warned.

To Sen. Daniel P. Moynihan (D-N.Y.), "Gramm-Rudman is a suicide pact" that would dismantle the nation's defenses. Sen. J. Bennett Johnston (D-La.) saw it as "a freight train bearing down on every American, not just the Pentagon." It would be silly "if it weren't so tragic," he said.

The expressions of concern were in tune with the AFL-CIO's opposition to "a lock-step process for bringing the budget into balance without regard to the impact on people, programs and the economy."

"Gramm-Rudman would be devastating to the programs that fight recessions," the AFL-CIO warned.

The measure was attached to a "must-pass" resolution raising the debt limit so that government checks wouldn't bounce. A House-Senate conference clarified some of the confusion of interpretation that clouded the hastily passed Senate bill, and the President was given some flexibility on where to make defense spending cuts.

### Final decision

Ironically, the legislation makes technocrats, not elected political leaders, the judge of whether deficit reduction targets will be reached without the across-the-board spending cut. Both the Congressional Budget Office and the President's Office of Management & Budget will submit revenue and spending estimates to the General Accounting Office, which will make the final decision.

In the original Senate version, the balanced budget process would not have begun until after the next congressional elections, sparing incumbents some politically difficult votes. But at the insistence of House conferees, a start will be made for the final half of the present fiscal year, which began Oct. 1. By present estimates, close to $12 billion will have to be cut from the budget by Mar. 1, 1986, half from defense.

Under the legislation, President Reagan will be required to submit a budget for fiscal 1987 that will not exceed the $144 billion deficit ceiling for that year. Office of Management & Budget Director James Miller has reportedly given the President a hit list of federal programs to be terminated or heavily cut back.

The bill to which the Gramm-Rudman amendment was attached raised the federal debt ceiling above $2 trillion, more than double what it was when Reagan took office.



American Heritage Award is presented to AFL-CIO President Kirkland by Anti-Defamation League Chairman Robert R. Nathan, left, and Federation Vice President Frederick O'Neal.

# *Kirkland cites labor's role supporting freedom for all*

American labor stands "without embarrassment or apology" on the "fundamental liberal principle that human beings should not be kicked around" either at home or abroad, AFL-CIO President Lane Kirkland proclaimed as he accepted the American Heritage Award of the Anti-Defamation League of B'nai B'rith.

Kirkland was praised by the ADL for possessing the quality of "equity"—which, the organization said, "impels him to denounce totalitarianism whether of the right or the left, to champion the rights of a single man or a group or a nation with the wholehearted vigor only our very greatest social reformers have possessed."

In accepting the award on behalf of the millions of members of the trade union movement, Kirkland said labor's worldwide program "begins and ends with freedom and the rights and responsibilities that freedom entails." He rejected the suggestion that unions should "stick to workshop issues and trust politicians to determine the fate of Polish or Chilean or South African workers."

There was a time, he said, when there was widespread agreement that liberalism meant a recognition that tyranny anywhere in the world threatened freedom and democracy everywhere; that equal rights, equal justice and equal opportunity should be the national goal; that a strong federal role was essential to economic and social reform; and that the nation had a primary duty to improve educational opportunities and fully develop the skills, talents and economic opportunities of its youth.

These concepts, Kirkland stressed, "served this nation well, liberated it from the depths of a catastrophic depression and brought about some sweeping reforms"

"It is no secret that the broad liberal coalition that espoused these principles has dissolved into a spectrum of neo-conservatives, neo-liberals, and old fools whose chief point of agreement is that the liberal agenda is out of date," Kirkland declared.

### Embracing despots

As a result, he said, "we find spiritual leaders who preach the gospel of avarice, and social thinkers who oppose public housing, integration, affirmative action and comparable pay for women.

"We find political leaders undermining, dismantling and paralyzing the government they were elected to administer.

"And we find those on both the left and right whose concern for human brotherhood embraces despots and slavemasters of every stripe.

"One and all, they are marked by the conviction that human rights and human values are inconvenient, expensive and expendable."

The trade union movement is unwilling to abandon its principles, Kirkland added, and will continue to "do battle on all issues affecting the people's welfare, at home and abroad."

# Marine tanker firm on Unfair List

The AFL-CIO has put Sonat Marine Inc., the nation's largest marine transporter of petroleum products, on its Unfair List because of management's union-busting tactics.

The action came in the wake of Sonat's refusal to recognize the bargaining rights of masters, mates and tug captains represented by the Seafarers, and chief engineers represented by Marine Engineers District 2. They have been covered by union contracts for the past 20 years.

In launching the Sonat campaign through the AFL-CIO Union Label & Service Trades Dept., the federation said the attempt to remove some members from the bargaining unit would deny them longstanding union rights and benefits.

The unions assailed the company's attempts to freeze wages, slash manning scales on its fleet of 49 tank barges and 37 tugboats, and eliminate or sharply reduce current employee benefits.

The SIU and MEBA, which together have a total of 600 members employed by Sonat, have filed unfair labor practice charges with the National Labor Relations Board, accusing the company of refusing to bargain in good faith.

Five years ago, Sonat Inc., a Birmingham, Ala.-based pipeline and energy company, acquired Interstate Ocean Transport and created Sonat Marine. The SIU struck the new firm in 1981 in a successful bid to win a new contract. When that agreement expired in 1984, Sonat unleashed its union-bashing assault.

The decision to place the company on the Unfair List followed action by the AFL-CIO Maritime Trades Dept., which adopted a boycott resolution at its biennial convention in Anaheim, Calif., in October, warning that Sonat's actions could set a "dangerous precedent" for the industry.

# Pilots set up air safety foundation

The Air Line Pilots announced establishment of an independent foundation to advance aviation safety through research, testing, seminars and publications.

ALPA President Henry A. Duffy said the new Aviation Research & Education Foundation will seek to:

- Reduce the frequency and severity of airplane accidents and near-accidents.
- Improve pilot aeromedical standards, including the detection, prevention and treatment of aeromedical ailments.
- Increase public, government and industry knowledge of aviation issues that affect the safety of commercial airline flying.

Duffy said the foundation will seek contributions to fund air safety programs and, in turn, will make research grants to academic and other groups undertaking safety-related studies.

The foundation's board of directors will include four top officers of ALPA plus Dr. H.L. Reighard, former air surgeon for the Federal Aviation Administration; C.O. Miller, president of System Safety, Inc., and John J. O'Donnell, past president of ALPA.

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## South Africa protest

Newspaper Guild Sec.-Treas. Charles Dale calls on South Africa to end media censorship and lift a press blackout covering much of the country during a protest at the South African embassy in Washington. Journalists delivered the first batch of petitions condemning the news restrictions, with more than 1,500 signatures collected so far. A committee of journalists is continuing the petition drive.

# Court upholds union rights to check workplace hazards

Boston—An appellate court decision upholding a union's right to have its own industrial hygienist measure noise levels in a workplace reinforced the AFL-CIO's interpretation of the National Labor Relations Act and kept open the possibility of a future reversal of a controversial new NLRB policy.

The NLRB last January scrapped a long-standing policy that placed a union's request for access to a workplace in order to carry out its representation function in the same category as a request for information needed for bargaining.

Instead, the NLRB adopted a more restrictive policy that sought to "balance" the union's desire for access against the employer's interest in excluding "outsiders" from company property.

But even by that test, the NLRB found, the Holyoke, Mass., Water Power Co. had violated federal labor law by denying Electrical Workers Local 455 the right to have an industrial hygienist of its choice measure the noise levels in a fan room where the company provided ear muffs for workers who had to maintain and repair the equipment.

### Information needed

The case reached the U.S. 1st Circuit Court of Appeals when the company challenged the NLRB order to provide access. The AFL-CIO filed a brief in the case to argue that the union's right to relevant information rather than the NLRB's newly adopted "balancing" test should provide the basis for upholding the union's right to measure noise levels.

In the decision, a three-judge panel of the appeals court agreed that the company was required to grant the union hygienist access to the fan room. It noted that the information sought "clearly was relevant to the union's statutory duty to bargain about conditions of employment."

The court noted that the labor board "reached the same result by a different route." Because the result is the same by either test, the court held, it was not necessary to decide whether the NLRB acted properly in holding that the stricter access rule that previously had been applied only to a union that did not have bargaining rights also should apply to a union that already represents the workers and is carrying out its bargaining function.

On a related issue, the court noted that "the fact that the Occupational Safety & Health Administration has promulgated a noise standard does not make the requested information irrelevant."

"The union is entitled to bargain for a standard that exceeds the one established by OSHA," the court declared.

# Rail unions blast denial of worker protections mandated by Congress

The Interstate Commerce Commission is ignoring existing law which provides safeguards for railroad employees displaced by mergers and abandonment of rail service, a Senate subcommittee was told.

The Railway Labor Executives Association accused the ICC of "usurping" the authority of the Railway Labor Act, the National Mediation Board and the National Railroad Adjustment Board by allowing railroad management to renege at will on collective bargaining agreements.

From the passage of the Emergency Railroad Transportation Act of 1933 through the Staggers Rail Act of 1980, the RLEA said, Congress has sought to guarantee just treatment for workers and their families adversely affected by changing times in the railroad industry.

But the ICC has ignored legislative mandates, the unions said in testimony submitted by James R. Snyder, legislative director of the United Transportation Union and chairman of RLEA's legislative committee.

Instead, it has adopted a policy that is "intolerable and incompatible with continued peaceful labor relations in the railroad industry," the RLEA said as it called for legislative actions to compel the ICC to protect the interests of railroad workers.

The Staggers Act, Snyder said, recognized that deregulation would cause "severe harm to railroad employees and their families." It included specific language denying the ICC the authority to "relieve a carrier of its obligation to protect the interests of employees."

### Discretion abused

But the ICC has seized on language in the law authorizing it to impose employee-protection provisions "at its discretion" as an excuse to "never exercise that discretion," the RLEA said.

The unions accused the ICC of misreading the intent of Congress, ignoring a half-century of precedents set by the commission, and disregarding repeated court rulings which reenforced workers' rights.

In "zealously promoting the concept of deregulation in the railroad industry," Snyder told the subcommittee, the ICC has taken the position that collective bargaining agreements negotiated under the Railway Labor Act are "burdensome to rail management" and therefore should be eliminated.

"The commission apparently theorized that if much of the economic regulation of the rail industry was a burden which impeded its competitive ability and should be removed," rail labor said, "certainly employee protective provisions and collective bargaining restrictions were at least as burdensome to competitive ability and warranted removal as well."

### Congressional intent

When it enacted the Staggers Act, the RLEA said, Congress "did not intend to lessen traditional employee protection or impair the Railway Labor Act rights of railroad employees."

Because the ICC stance constitutes a complete reversal of congressional intent, the subcommittee was told, "that error can only be corrected" by amending the law to make clear that the commission must impose adequate protections for workers adversely affected by mergers, abandonment of service, and other actions taken in pursuit of deregulation.

## Union-busting

**San Francisco—One of the Interstate Commerce Commission's lawyers has admitted that the commission is engaged in union-busting.**

**The Railway Labor Executives Association went into federal appeals court here to challenge the ICC's refusal to impose labor protections in a case involving the Northwest Pacific Railroad.**

**The ICC took the position that it was not in the public interest to insist on employee safeguards.**

**When one of the judges asked whether the commission's action amounted to union-busting, the ICC attorney conceded that it was.**

## Tax bill uncertain

# Congress session grinds to close

A Republican rebellion against the closing of corporate tax loopholes put a big question mark on the future of tax reform legislation—and the influence of President Reagan within his own party.

Still uncertain as the AFL-CIO News went to press was whether a labor-supported tax reform bill that has been endorsed by the Administration as a step forward will pass the House before the end of the session.

The timetable was thrown askew when the House voted 223-202 against the procedural rule providing for consideration of the tax reform bill.

Only 14 Republicans supported Reagan on the issue, a stunning repudiation. Democratic defections stemmed from an unusual combination of oil state congressmen trying to protect the industry against loss of special tax privileges and House members from districts with large numbers of federal employees, who wanted an opportunity to vote on deleting a tax change that would adversely affect many federal and postal workers when they retire.

Tax bills are normally taken up under a rule strictly limiting amendments. The rule that was defeated would have allowed a vote on a Republican substitute bill, but not on separate sections of the measure approved by the Ways & Means Committee.

### Reagan on spot

Reagan had urged Republicans to vote for the committee bill if the Republican substitute were defeated so that the legislation could be acted on by the Senate next year. Under the Constitution, tax bills must originate in the House.

Oil interests and corporations trying to kill the bill brought a small army of lobbyists to Capitol Hill before the vote on the rule.

House Speaker Thomas P. O'Neill said it was up to Reagan to deliver the Republican votes if he wanted to keep tax reform alive. Only 14 Republicans voted to call up the bill.

If the President can't deliver the votes, O'Neill said, Dec. 11, when the rule was rejected, "will be remembered as the date that Ronald Reagan became a 'lame duck' on the floor of the House."

As the congressional session moved into its final week, a letter signed by three Democratic senators helped defuse the danger of a labor-opposed subminimum youth wage being pushed through.

Senators Howard Metzenbaum (Ohio), John Melcher (Mont.) and Christopher Dodd (Conn.) wrote their colleagues that they considered the subminimum wage proposal "nothing more than a hoax." They indicated they were prepared to filibuster any attempt to sneak the measure through as an amendment to an unrelated bill.

A presidential veto of a job-saving bill to curb textile, apparel and shoe imports was expected to close out the first session of the 99th Congress.

The labor-endorsed measure passed both the House and Senate by large majorities, but short of the two-thirds that would be needed to override a veto.

If the bill were allowed to become law, import-swamped industries employing more than one out of eight industrial workers would be given a reprieve. Besides setting quotas for textile, clothing and shoe imports, the legislation would have required the President to negotiate import restraints with the leading copper-producing nations.

# Rubber Workers ask tire import curbs

Akron, Ohio—With 50,000 Rubber Workers' jobs lost to imports in the last decade and another 6,300 scheduled to go down the tube in the next six months, the URW urged Congress to save what's left of the American tire and rubber industry.

Calling the import menace "a growing cancer in our nation," URW President Milan Stone noted that tire imports have risen from 8 percent to nearly 25 percent since the mid 1970s. As a result, 26 U.S. tire plants have shut down.

And there's more trouble ahead, Stone said. The union has been notified of new plant closings which will wipe out 1,600 jobs at B. F. Goodrich in Miami, Okla., 850 at Goodrich in Oaks, Pa., 1,650 at Firestone in Albany, Ga., 1,200 at General Tire in Waco, Tex., and 1,000 in a partial Firestone shutdown in Des Moines, Iowa.

To provide effective protection for the beleagured industry, the URW said in letters to all members of the House and Senate, Congress should enact legislation putting a lid on foreign producers' share of the domestic market.

Noting that every imported automobile comes equipped with five foreign-made tires plus numerous components which could have been made by URW members, Stone also called for a rollback in auto imports at least to the level that existed when voluntary restraints were in place.

Other nations, Stone said, have aggressively pursued their own interests through subsidies and other devices which aid firms sending their products into the American market. But the United States has failed to follow suit. "As a result," he said, "Americans will continue to suffer further job losses until action is taken to remedy the critical situation which exists."

The URW is cosponsoring a labor-management government conference Dec. 18-19 to address the needs of dislocated workers in the tire and tube industry. The two-day session, with assistance from the AFL-CIO Human Resources Development Institute, will focus on retraining, education, career change and improving job-seeking skills.